

JPRS-SEA-86-080

7 MAY 1986

## **Southeast Asia Report**



**FOREIGN BROADCAST INFORMATION SERVICE**

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

7 MAY 1986

## SOUTHEAST ASIA REPORT

## CONTENTS

## AUSTRALIA

Hawke Discusses Talks With Reagan, Libyan Stand (Bernadette Skiews; Melbourne Overseas Service, 18 Apr 86).....	1
Hawke Secures Thatcher's Backing on Agriculture Policy (Melbourne Overseas Service, 22 Apr 86).....	3
Hayden Regrets Postponement of Visit by Indonesian (Melbourne Overseas Service, 13 Apr 86).....	4
Briefs	
Sugar Deal With USSR	5
Increase in Migrant Intake	5
Industry Minister Resigns	5
Agriculture Policies Protested	6
Talks To Go Ahead	6

## BURMA

Karen Rebel Army Personnel, Logistics Described (Ongat Rungchanchai; MATICHON SUT SAPDA, 23 Mar 86).....	7
---	---

## MALAYSIA

MCA Approves Revision of Party Constitution (BERITA HARIAN, 3 Mar 86).....	12
DAP's Views on MCA's Influence in National Front, Cooperation With PAS (SIN CHEW JIT POH MALAYSIA, 14 Feb 86).....	14
Kit Siang Challenges MCA	14
Lim on DAP-PAS Cooperation	15

MCA Rejects Membership of Non-Chinese Individuals (KIN KWOK DAILY NEWS, 23 Feb 86).....	16
MCA Pledges To Fulfill Chinese Associations' Aspirations (KIN KWOK DAILY NEWS, 23 Feb 86).....	18
Members of Chinese Associations Refuse To Serve as MCA Candidates (KIN KWOK DAILY NEWS, 23 Feb 86).....	20
Paul Leong Announces He Will Not Run For Penang Chief Minister (SIN CHEW JIT POH MALAYSIA, 13 Feb 86).....	21
Reasons for Forming Sabah Chinese Party Disclosed (Daud Haji Awang; BERITA HARIAN, 5 Mar 86).....	22
DAP Official Urges Equal Treatment for Non-Malays (KIN KWOK DAILY NEWS, 23 Feb 86).....	24
Senator Kee Yong Wee Discusses Impact of PAS Strategy (KIN KWOK DAILY NEWS, 24 Feb 86).....	25
Misunderstanding of Application of Islamic Values Viewed (Editorial; UTUSAN MALAYSIA, 14 Mar 86).....	27
End To Forcing Non-Moslems To Take Islamic Courses Urged (KIN KWOK DAILY NEWS, 16 Feb 86).....	29
CCPIT Pledges To Nominate Malaysian Agents (UTUSAN MALAYSIA, 7 Mar 86).....	31
Funding for Rural Projects Announced (NEW STRAITS TIMES, 5 Apr 86).....	33
Briefs Indonesian Illegal Immigrants	34
NEW ZEALAND	
Paper Weighs Pros, Cons of U.S. Libya Strike (Editorial; THE EVENING POST, 16 Apr 86).....	35
Lange Says Talks With France 'Long Process' (AFP, 12 Apr 86).....	37
Poll Shows National Party Ahead of Labor (THE EVENING POST, 11 Apr 86).....	39
National Party's Bolger Comments on Entry of Nuclear Ships (THE EVENING POST, 11 Apr 86).....	40

Lange Criticizes Plans for Rugby Tour of South Africa (AFP, 13 Apr 86).....	41
--	----

## THAILAND

Columnist Faults Foreign Policy, Trade Ties With U.S. (Pleo Singeon; THAI RAT, 8 Mar 86).....	43
Columnist Scores U.S. for Farm Act (Noenfa Kindin; SIAM RAT, 11 Mar 86).....	45
Students, Politicians, Commentators Mobilize on Farm Act (various sources, various dates).....	46
Government Prepares To Cope	46
Chawalit, MPs Agree With Students	49
Socialists Seek Foreign Policy Changes	50
Student Leader on U.S. 'Exploitation,' Bunthaen Tansuthepawirawong, Interview	52
Editorial Rejects U.S. Embassy Explanation	56
Columnist Urges Support of Students, by Trairat Sunthonpraphat	57
Army Reports 1985 Combat Deaths by Sector, Service (BAN MUANG, DAILY NEWS, 22 Mar 86).....	59
Losses Up From 1984	59
Thahan Phran Irregular Deaths	60
Editorial Views Debt Rescheduling, Aid to State Firms (BAN MUANG, 15 Mar 86).....	61
Labor Department Stops Workers From Going To Libya (NAEO NA, BAN MUANG, 16 Mar 86).....	62
Numbers of Workers in Libya	62
Situation Expected To Improve	62
Bunchu Disparages Government Economic Moves (NAEO NA, 22 Mar 86).....	63
Sommai Budget Deficit Concerns Noted to Prem (NAEO NA, 24 Mar 86).....	65
Problems in Determining Budget Size Discussed (NAEO NA, 2 Apr 86).....	67
Briefs	
Lao Refugee Repatriation	69

## VIETNAM

## PUBLICATIONS

Table of Contents: TAP CHI HOAT DONG KHOA HOC, Februarv 86 (TAP CHI HOAT DONG KHOA HOC, Feb 86).....	70
---	----

HAWKE DISCUSSES TALKS WITH REAGAN, LIBYAN STAND

BK181042 Melbourne Overseas Service in English 0810 GMT 18 Apr 86

[From the "International Report" program presented by (Bernadette Skiews)]

[Text] The Australian Prime Minister, Mr Bob Hawke, has ended talks with the United States President, Mr Ronald Reagan. At a news conference after those talks, the issue of the United States action in Libya dominated the questioning. The American administration described Australia's response to the issue as strongly supportive after the meeting, but at his news conference in Washington, Mr Hawke repeatedly refused to be drawn on why such a description would be used by the United States.

Earlier in the week, Mr Hawke said Australia stood ready to play any role required of it through the United Nations Security Council, but he later played down any prospects of Australia seeking a principal role as a mediator. Mr Hawke said he had been shown some very compelling evidence of Libyan terrorist activity during his visit to Washington and he said he urged President Reagan to make that evidence public.

Mr Hawke spoke to our reporter, (Heather Hewitt), who asked him why he refused to be drawn and why the U.S. action was justified.

[Begin recording] [Hawke] Well, that is your interpretation. What I have said is I am not going to get into the business of--I put it as a squalid option of saying where am I on some support meter. I and Bill Hayden from the beginning, on Tuesday of this week, have tried to analyze the situation on the basis of trying to point to where we go in the future, what could happen in the future. And we have the position where some have interpreted or chosen to interpret one way, others in the opposite. I am not going to get into that option. We have said that force in international relations is not acceptable, particularly the use of terrorism, and that the essential conditions for bringing an end to this conflict is the repudiation by Libya of the direction, export, or control of terrorism against innocent civilians; and on that basis in the United Nations we have tried to point to possible ways in the future for a resolution of this matter. Now, that is what we are going to continue to do. You can try as much as you like at saying will you use a word or not a word. That is, as I say, a squalid exercise.

[Hewitt] Yet, the United States Administration is describing Australia's response as strongly supportive and that is the way it is being reported in the media here. Does that concern you at all?

[Hawke] I am not concerned about interpretations that are put on. There has been an opposite interpretation by Mr Howard, as I have said, different interpretations by other people. What I am about is to state the position. We have done it consistently in Canberra, in New York, and in Washington.

[Hewitt] Why do you think the administration would be making that description, though?

[Hawke] You would have to ask the administration.

[Hewitt] Well, do you think the United States' action has done anything to stop international terrorism?

[Hawke] Well, I think it should have made clear to those who are involved in it that as far as the United States is concerned, their patience is not unlimited. I mean they have taken a clear stand there. There is some evidence of distinction to the point of fighting amongst elements of the armed forces in Libya. It might involve some undermining of al-Qadhafi's position. I don't know. But, again, I am not really going to get into that speculation. My job as prime minister, and Bill Hayden's job as foreign minister, is to try and use our best endeavors, particularly through our membership of the Security Council, to try and find a way in which there can be some negotiation or its equivalent in this manner.

[Hewitt] Has there been any response to your call for the United States to publicise its evidence concerning Libyan terrorist activities?

[Hawke] No, no positive response. I have put the case. I acknowledge and accept that the United States has to make its decision in the light of the obvious advantages that there would be in the publication of this evidence against, on the other hand, their concern about the exposure of their intelligence capacity. It would be presumptuous for me to tell them what they ought to do. That is ultimately their decision. What I can do, as a concerned person, is to point to what I consider would be the advantages of publication.

[Hewitt] What are those advantages?

[Hawke] Well, it is clearly those who are saying that this is a fabrication, it is not authentic, and that it cannot be compelling. All I can say is I have seen the evidence. I have had the briefing. I find the material authentic, I find it compelling. [end recording]

/12913-

CSO: 4200/938

HAWKE SECURES THATCHER'S BACKING ON AGRICULTURE POLICY

UK221021 Melbourne Overseas Service in English 0830 GMT 22 Apr 86

[Text] The Prime Minister, Mr Hawke, has won support for Australian trade initiatives at talks in London with the British Prime Minister, Mrs Thatcher. Mrs Thatcher has agreed that agriculture should be included in the new round of multilateral trade negotiations in September. She also indicated she would support the proposal at the summit of major industrialized nations in Tokyo next month.

Mr. Hawke [words indistinct] London that the British prime minister also shared Australia's view on the need to reform the European Community's common agricultural policy which subsidizes and protects [words indistinct].

AUSTRALIAN ASSOCIATED PRESS reports that with the support of the United States gained while he was in Washington last week, Mr Hawke now has strong backing of his view that agricultural subsidizers should be phased out. The next stage of Mr Hawke's trip takes him to Brussels where he will have trade discussions with officials of the European Community.

Before he left London, the prime minister said he did not expect to bring about immediate changes. He said the issue required persistent and consistent pressure, but he was pleased to have the basic support of Britain.

After his brief stop in Brussels he will go to Italy and Greece. The issue of South Africa was also prominent in Mr Hawke's discussions in London. He indicated that New Zealand's rugby players currently touring South Africa would not be permitted to play against Australia during next year's rugby world cup. Mr Hawke referred to the Gleneagles Agreement between Commonwealth countries which bans supporting contacts with South Africa. He said he understood the agreement to mean it would not be appropriate for Australia to play against the team in Australia which included players who had taken part in the South African tour.

Back home, the federal opposition leader, Mr Howard, has questioned Mr Hawke's interpretation of the Gleneagles Agreement. Mr Howard said the agreement should be upheld, but he was not certain that Mr Hawke's statement conforms with the terms of the document.

/12913

CSO: 4200/938

HAYDEN REGRETS POSTPONEMENT OF VISIT BY INDONESIAN

EK130725 Melbourne Overseas Service in English 0430 GMT 13 Apr 86

[Text] Indonesia has reacted angrily to a story in a Sydney daily newspaper about President Suharto's alleged business links by postponing the visit to Australia of a senior minister. AUSTRALIAN ASSOCIATED PRESS says the Indonesian Government is also reassessing its policy toward Australian journalists.

A detailed article in last Thursday's edition of the SYDNEY MORNING HERALD alleged that President Suharto, his family, and friends had used their positions and links with the wealthy Chinese industrialists to amass a substantial family fortune. The claims have shocked and embarrassed Indonesian leaders and Australian diplomats, and Foreign Affairs Department officials in Canberra have been working to minimize the damage to recently improved relations between the two countries.

Indonesia's Research and Technology Minister, Mr Yusuf Habibie, a close friend of President Suharto, suddenly postponed a five day visit to Australia due to begin today. Mr Habibie has been invited to Australia to inspect technology and meet senior ministers to discuss the possibility of joint cooperation between the two countries in defense and industrial projects. Indonesian authorities have given no reasons for the postponement, but AFP quotes senior Indonesian sources as saying it signals the extent of President Suharto's displeasure. The news agency says Information Ministry officials in Jakarta have been reexamining their attitude toward Australian journalists in view of the article and could not rule out new restrictions on their access to Indonesia.

The Foreign Minister, Mr Hayden, said he had been given no official reason for the postponement of Mr Habibie's visit. Mr Hayden said Canberra had worked very hard in the past three years to get Indonesian-Australian relations into a healthy and productive stage and regretted the postponement.

/12913

CSO: 4200/938

## BRIEFS

**SUGAR DEAL WITH USSR**--The Soviet Union will buy about 150,000 tons of Australian sugar worth about \$30 million [currency not specified]. The Minister of Trade, Mr Dawkins, told Parliament in Canberra that the sale should give rise to cautious optimism within the sugar industry. He said there was a dramatic rise in sugar prices from the low mark reached last year, adding that Australia and the Soviet Union were in the process of drawing up an umbrella agreement covering commodity sales. The sale of sugar comes on top of the recent wheat sale to the Soviet Union totaling some \$500 million. [Text] [Melbourne Overseas Service in English 0830 GMT 9 Apr 86 BK] /12913

**INCREASE IN MIGRANT INTAKE**--The federal government has confirmed that it will increase the intake of migrants in the next financial year. The Minister for Immigration and Ethnic Affairs, Mr Hurford, told Parliament that 11,000 migrants would be taken in to bring the total for 1986-87 to 95,000. Next year's intake will include a new migrant category based on the current extended family program. This will include further extended family, such as nephews and nieces, and enable those without family to apply for entry. Refugee levels will be maintained at 12,000, reflecting a small decrease in the resettlement of Indochinese, particularly Vietnamese refugees and a small increase in refugees from Eastern Europe. For the two subsequent years the government has set indicative planning levels of 110,000 and 125,000 respectively. Mr Hurford said such intakes could represent the beginning of a possible gradual increase which may, with community support, return to historical intake levels of 160,000 or 170,000. [Excerpt] [Melbourne Overseas Service in English 0430 GMT 10 Apr 86 BK] /12913

**INDUSTRY MINISTER RESIGNS**--The Minister for Industry, Technology, and Commerce, Senator Button, has been forced to resign as a director of a company holding shares in Australia's largest industrial company, BHP [Broken Hill Proprietary Limited]. Senator Button, who is also government leader in the Senate, announced his decision in Canberra following talks with the Prime Minister, Mr Hawke. The opposition earlier had claimed his directorship represented a potential conflict of interests. Senator Button was asked in Parliament whether he was a director of the Industrial Printing and Publicity Company which had more than 58,000 BHP shares at the time he was a member of a Cabinet subcommittee examining the proposed BHP takeover by the Bell Resources Group. He admitted being a trustee director of the company which manages the Labor Party's assets in Victoria, but said he was unaware of any BHP share holdings and rejected any suggestion of conflict of interests. However, after talking to the prime minister, Senator Button said he was resigning his

directorship because his position was open to gross misrepresentation. In the House of Representatives yesterday, Mr Hawke faced an opposition censure motion over his failure to dismiss the Trade Minister, Mr Dawkins, for not declaring his mother's shareholding in the Bell group when he joined the Bell group cabinet takeover subcommittee. The censure motion was lost along party lines. [Text] [Melbourne Overseas Service in English 0430 GMT 12 Apr 86 BK] /12913

AGRICULTURE POLICIES PROTESTED--Australia is to protest to the Organization for Economic Cooperation and Development [OECD] about the dumping on world markets by the European Economic Community of its agricultural surplus products. The Treasurer, Mr Keating, said in London he would be raising the issue at the OECD's two day ministerial meeting beginning in Paris tomorrow. Speaking at a press conference he said the European Community's policy of subsidizing agricultural surpluses was damaging commercial crops around the world and making it difficult for developed and developing countries to trade. Mr Keating claimed that large-scale dumping was caused by the failure of European agricultural policy to adjust to the technological improvements in crop production. Australia last month accused the European Community of using secret subsidies on dairy exports to undermine the markets of Australian farmers. The Foreign Affairs Minister, Mr Hayden, [words indistinct] was violating the principles of open-market trading despite always espousing them at other international [word indistinct]. Two European community commissioners postponed visits to Australia after Mr Hayden's comments and remarks also made by the Prime Minister, Mr Hawke. [Text] [Melbourne Overseas Service in English 0630 GMT 16 Apr 86 BK] /12913

TALKS TO GO AHEAD--Australian officials say they have received no indication that Indonesia may pull out of the next round of talks over a disputed section of border in the Timor Sea known as the Timor Gap. A spokesman for Department of Foreign Affairs in Canberra says officials are still expecting the talks next month between the two countries to go ahead. Some press reports have suggested the talks could be at risk because of the publication in an article in a Sydney newspaper alleging that the family of business associates of President Suharto had amassed great wealth through his political patronage. Indonesia has described the publication of the article as offensive and an insult and cancelled the visit to Australia by the Indonesian Minister for Science and Technology, Dr Habibie. The Indonesian Government also placed an indefinite ban on Australian journalists entering the country. Radio Australia's Canberra correspondent says the talks will be the eighth between Australia and Indonesia. Both sides have agreed to the concept of a joint development zone in the Timor Gap and negotiations have reached the stage of attempting to define and locate the zone. [Text] [Melbourne Overseas Service in English 0830 GMT 17 Apr 86 BK] /12913

CSD: 4200/938

## BURMA

### KAREN REBEL ARMY PERSONNEL, LOGISTICS DESCRIBED

Bangkok MATICHON SUT SAPDA in Thai 23 Mar 86 pp 41, 42

[Article by Ongat Rungchanchai, Bangkok Syndicate: "The War To Liberate Kothule: the Combat Capabilities of the Karens"]

[Text] The war of liberation has been going on for 4 decades now. The combat situation of the Karens is now becoming critical because of a variety of problems, including conflicts among the leaders, the poor economy and the capabilities of the army. These things all point out the difficulties in waging war and could lead to the collapse of the liberation movement.

#### The Karen Army and Combat Means

Many years ago, the Karen National Liberation Army gained a reputation as being a very strong army. At that time, it had nine divisions operating in various areas. But now, after a long struggle against the Burmese government, it has lost many of its secure bases and many Karen soldiers have been killed.

Today, the Kothule army has only six divisions left. These forces have been given the task of resisting encirclement on all fronts. The 7th Division under the command of Col Thin Mong is a highly efficient combat unit. In particular, the battalions commanded by Maj Tutu and Maj Chon are greatly feared by the Burmese forces. These two Karen officers have the courage and combat expertise to lead their forces to victory over the Burmese forces almost every time. They have never directed things from the rear but have always fought side by side with their troops. Today, these two officers play a great role in keeping up the morale of the Karen forces.

Maj Thunchai, age 54, the deputy commander of the 7th Division, who grew up on a farm and who has been in the army since he was 16, told us about responsibilities within the Karen liberation army. He said that responsibilities within each Karen division are as follows: the first chief of staff is responsible for personnel affairs, including promotions, discharges, transfers and recruitment. The second chief of staff is responsible for intelligence matters. The third chief of staff is responsible for operations, and the fourth chief of staff is the quartermaster.

As for weapons, a 52-year-old former merchant told us what he knew based on his many years of selling weapons to the Karen forces. He said that at the beginning of the war, most of the weapons used by the Karens were weapons that they had seized from the Burmese troops. But now, they purchase almost all their weapons. They purchase them from various weapons dealers. Some are smuggled in from Laos and Cambodia. Some are purchased from remnant CPT [Communist Party of Thailand] forces in the northeast. Because after the CPT forces were suppressed, large numbers of weapons that had been used to fight the Thai government were hidden. It is these weapons that have been sold to the Karens. Besides this, some weapons are obtained from Malaysia and Singapore.

As soon as negotiations have been concluded and the weapons have been delivered, the weapons are distributed to the various divisions. Today, the Karen army has large numbers of modern weapons, including M-16s, SK-33s, NATO Sekase, AKs, M-60s, M-79s, 88-caliber light machine guns, 57-caliber recoilless rifles and 60 and 81 mm mortars.

Maj Thunchai discussed their need for more weapons. He said that "even though we have a large number of modern weapons, we always need more weapons. The Kothule army must increase the size of its forces. Thus, if any country would like to provide weapons to us, we will not refuse their aid. But if we have to purchase more weapons, we will do so based on our financial resources."

#### Karen Recruits Are Needed by the Army

Waging war requires a large number of men and so the Karen state has issued stipulations on drafting soldiers just like other countries. Cpt Winter, a communications officer with the 7th Division, said that the State of Kothule has stipulated that Karen youths must serve in the liberation army when they turn 18 years old.

Many Karen youths have joined the army voluntarily. Most of these have come from villages threatened by Burmese forces. Since December 1985, more than 300 Karen youths have voluntarily joined the liberation army. They understand the heavy burden of their people and want to get revenge on behalf of the Karen people, whom Burmese forces have treated savagely.

These new recruits will be sent to a secure base opposite Mae Sariang District in Thailand for 1 year of military training. Karen officers and nine foreigners--three Australians, four Americans and two Frenchmen--serve as instructors.

Police Maj Gen Kasem Saengmit, the commander of the Special Branch Police, once said that these foreigners must be deported because they came to Thailand in order to go work as mercenaries for the Karens.

After the recruits complete their military training, the instructors arrange for them to engage in actual combat against Burmese troops. The new Karen soldiers are sent to attack a Burmese base. Each soldier is given a Sekase rifle and five rounds of ammunition. Cpt Winter said that the purpose of this final phase of training is to test the morale and courage of the new Karen

soldiers, who must take over the burden of liberating the country in place of those soldiers who are discharged.

In the past, draftees had to serve in the army for 3 years. They were then discharged. But since the fall of the Mae Tawo checkpoint 2 years ago, draftees must serve for 7 years. If a Karen soldier wants to remain in the army after that, the army willingly gives him permission because it means that the army will retain the services of an experienced soldier, which strengthens the army.

Even though Karen soldiers are not paid a salary, the state pays them benefits of 50 baht a year and provides them with the necessities of life. However, the State of Kothule is now experiencing economic difficulties and so it does not have the money to take good care of the soldiers. Because of this, the standard of living of the soldiers is much worse than in the past.

Uthai Khun-uthok, a villager from Ban Mae Tan who knows about the Kothule army, said that "each Karen soldier is allotted two cans of rice a day. They eat only two meals a day. Their food is very simple, consisting of dried pepper, preserved fish or some spices. They eat with gusto. They are occasionally able to find some vegetables or fish. Their standard of living used to be much better than it is today."

As for clothing, the state provides them with two sets of uniforms a year. They are also given a blanket, socks, shoes, a raincoat and a jacket. The state also looks after their families so that the soldiers do not have to worry about their families.

#### The Loss of Mae Tawo Was an Expensive Lesson

The prolonged fighting shows that regardless of how many troops Burma sends to suppress the Karens, they cannot inflict total defeat on the Karen forces. Usually, the Burmese government conducts operations against the Karens only during the dry season. Every rainy season, the two sides pull back and the fighting stops.

But during 1984 and 1985, the Burmese concentrated forces at several points and the Karen forces had to pull back to the Thai border, particularly to the banks of the Salween River and the Moei River, which has a length of approximately 350 km.

Of all the battles, the Karen forces suffered their heaviest losses at the Mae Tawo checkpoint, which is located opposite Mae Sariang District and which is approximately 35 km from Tha Song Yang District. The Mae Tawo checkpoint was a transit point for black market goods and a major source of income for the Kothule government.

Besides being a very active transit point, Mae Tawo was ideal as a defensive location. In Burma, the terrain there is composed of high mountains, which made it difficult for the Burmese to launch attacks on a divisional scale.

However, the Burmese did launch an attack against the Karen forces there, which were commanded by Cpt Loedo. The Burmese routed the Karens in 1984 and seized control of Mae Tawo, which they have held ever since.

The fall of Mae Tawo to the Burmese was a severe blow to the state of Kothule, whose territory extends along the Thai border. It will be difficult for the Karens to retake Mae Tawo because the Karen forces stationed to the north along the Salween River cannot send troops to support the Karen forces operating in the south along the Moei River. This is because a Burmese division has established a base at Mae Tawo, which separates the two Karen forces. Because of this, in terms of military strategy, the Karens have become the underdog. The Karens themselves admit that the loss of Mae Tawo was an expensive lesson and that something must be done to remedy this.

#### The Mobuke Front, Resistance Will Continue

Even though the Burmese succeeded in seizing Mae Tawo, they have encountered strong resistance from the Karen forces along the Moei River at Mobuke, which is located opposite Tha Song Yang District. The two sides are still confronting each other today.

I had a chance to visit this combat front and learned that a Burmese battalion attacked Mobuke 2 years ago in the hope of inflicting a defeat on the Karens just like at Mae Tawo. But a Karen battalion under the command of Col Mong Mong, who was sent from main headquarters, made a courageous stand against the Burmese forces. The Karens had to prevent the Burmese from seizing Mobuke. Mobuke is an important checkpoint that earns a large income for the Karen state. The 1,000 rai of land there is rich in very valuable teak trees.

From the market at the Tha Song Yang district seat, which is also known as Mae Tan, we could clearly see the front lines of the two sides. This is because the Mae Tan market is only about 100 meters away on the opposite side of the Moei River. There is a hill covered with teak trees that stretches from the bank of the Moei River at Mae Tan to another point on the river approximately 4 km away. The Moei River forms a U-shaped curve here, and this is the location of the Karen Mobuke base.

The Burmese forces have dug trenches parallel to the Mobuke mountain ridge, with the distance between the trenches and the ridge being approximately 100 meters. Thus, standing near the trenches of the Border Patrol Police, who have established a base along the bank of the Moei river near the Mae Tan market, we could easily see the Burmese troops, who were on the other side of the Moei River. After shouting back and forth for awhile, a 27-year-old BPP official said:

"The Burmese send out reconnaissance patrols every day. And each time they check this point, because we are stationed right across from there. They usually shout across at the villagers and ask them what the BPP are doing and how large a force is based here. Because if only a few officials were here, they might take the opportunity to cross over into Thailand in order to attack the Karens at Mobuke from the rear."

We were also told that a few months ago, Burmese forces crossed into Thailand in order to attack the Karens at Mobuke from the rear. But as it turned out, a BPP platoon was stationed at the point where the Burmese forces crossed the Moei River, that is, at Ban Mae Ra. The BPP forces put up a fierce resistance, and after a short fight the Burmese forces had to retreat. However, in that clash, two Thai were killed and several were wounded.

As for the Karens at Mobuke, a former Karen soldier who was discharged recently said that long trenches have been dug. Bunkers have been built every 10 meters. Every bunker has an opening for firing and an ammunition storage pit. Thus, whenever the Burmese attack, the Karen soldiers will have enough ammunition to wage a long fight.

A squad of soldiers is assigned to each bunker, and they take turns standing guard day and night. We could see Karen soldiers moving about there. The area behind the bunkers slopes down to the Moei River, which the Karen soldiers use for bathing and cooking.

We were told that from their trenches, which are fairly close to each other, the soldiers on the two sides shout back and forth at each other. And every day, each side fires a few rounds at the enemy. Because of this, the Thai villagers at Ban Mae Tan have become used to the sound of gunfire. This fighting has been going on for 2 years now. Many people said that if they don't hear the sound of gunfire from Mobuke, they feel that something is amiss and immediately become irritable.

11943

CSO: 4207/200

## MCA APPROVES REVISION OF PARTY CONSTITUTION

Kuala Lumpur BERITA HARIAN in Malay 3 Mar 86 p 1

[Article: "MCA Curtails President's Special Powers"]

[Text] Kuala Lumpur, Sunday [2 March]--Today the MCA [Malayan Chinese Association] extraordinary general assembly voted to accept a new party constitution that revokes a number of the president's special powers.

The draft revisions of the constitution submitted by Mr Tan Koon Swan, the MCA president, were supported by Datuk Lee Kim Sai, the secretary general, and Senator Ng Cheng Kiat.

The new constitution was approved by 2,424 of the 2,430 delegates to the assembly. Two of the delegates voted against it while four abstained.

Among members of the MCA leadership who attended the general assembly were Mr Mak Hon Kam and Datuk Tan Tiong Hong. Datuk Dr Neo Yee Pan, the former MCA vice president, however, did not attend the assembly.

### Deputy Position Eliminated

Important changes in the new constitution include:

- ° The post of deputy president has been eliminated.
- ° The president's right to expel members from the MCA has been transferred to the Central Executive Committee.
- ° The Central Executive Committee has been made responsible for appointing all five members of the MCA Disciplinary Committee.
- ° The president may appoint only the secretary general, the honorary treasurer, the nationalism promotion secretary, seven members of the MCA Central Executive Committee, 10 members of the President's Council, the states relations chairman, and members of the "Past Leaders" Council.
- ° The president may only cancel an extraordinary general assembly with the approval of the MCA Central Executive Committee.

- ° Associate members may be accepted.

- ° The MCA Central Executive Committee, with the approval of one-third of its members, may direct the secretary general to convene an extraordinary congress.

- ° The number of delegates that may be sent by a district to the general assembly has been set at between 5 and 52 persons.

- ° Only 50 delegates may be sent by a branch to a district conference.

Mr Tan Kon Swan said the delegates approval of the draft constitution was a reflection of how MCA members feel about the efforts being made to strengthen the party.

He said the new party constitution was drafted by a committee consisting of a number of lawyers and senior party members.

"We also gave party members at lower levels of the organization the opportunity to recommend changes to the party constitution," he explained.

Regarding associate membership, Mr Tan said such membership was available only to Chinese.

"However, non-Chinese organizations may become associate members of the MCA," he added.

By having associate members, according to Mr Tan, the MCA feels it will be better able to obtain more support from groups who are authorized to help the party.

"Associate members also may be put forward as candidates representing the MCA for the Senate, the State Legislative Assemblies, and regional councils," he explained.

Earlier in his speech, Mr Tan said, "With this new party constitution, I hope the MCA can prevent any crisis from arising in the organization and become a more open, liberal, and democratic party."

6804  
CSO: 4213/126

DAP'S VIEWS ON MCA'S INFLUENCE IN NATIONAL FRONT, COOPERATION WITH PAS

Kit Siang Challenges MCA

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 14 Feb 86 p 4

[Text] In a statement published today, Lim Kit Siang, secretary general of the Democratic Action Party [DAP], expressed doubt about MCA's influence and position in the National Front. He challenged the leadership of the Malaysian Chinese Association [MCA] to hold a public debate about the above-mentioned issue in 11 states to be held twice a week for 5 weeks.

The DAP proposed that the first debate be held either on 8 or 9 March, with top leaders of both parties concerned as participants.

Lim indicated that MCA's Lee Kim Sai, Ling Liong Sik, and Tan Koon Swan should have the courage to accept DAP's challenge, if they really believe that their party has any influence or status within the government.

Lim, who is an MP representing Malacca Municipality, even suggested that MCA may choose any topics advantageous to its own interest. For example, the subject for the debate may be changed from "Does MCA have any influence or position in the government?" to "In its history, MCA has the least influence and position in the government."

Lim said that he would let MCA leaders choose between the two suggested topics, as long as it does not veer away from Lee Kim Sai's claim to the effect that "MCA has an influence and a position in the government."

Lim added that if MCA accepted the challenge, each side might send three leaders to discuss and draw up the procedures for the 11 debate sessions. The DAP would be represented by Lee Lim Thay, deputy secretary general; Dr Tan Seng Giaw, deputy chairman; and Tan Kheng Kah, national organizational secretary.

Lim Kit Siang proposed that both DAP and MCA form a preparatory committee for the debate, so that the public may listen and decide for themselves whether or not the MCA has influence and position in the government.

### Lim on DAP-PAS Cooperation

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 14 Feb 86 p 3

[Text] Lim Kit Siang said that if the ultimate goal of the Islamic Party [PAS] is to establish a Moslem country, his party, the Democratic Action Party [DAP] cannot have a long-range cooperation with it.

Lim told reporters today that DAP's cooperation with the Moslem party should be divided into two phases--short range and long range.

The DAP secretary general firmly opposed the transformation of Malaysia into a Moslem country.

He said: "On a short range cooperation, I hope that in the coming general election, we can offset the National Front's two-thirds majority in various assemblies and reduce the majority seats held by the ruling parties to the lowest possible number."

Lim admitted that his party and the PAS had some contact recently. He said: "The main purpose of the meetings between leaders of both parties is to exchange views on certain current issues and political and economic problems." He said that they hold identical views on poverty in the country and their opposition to corruption.

However, Lim said, the leaders of both parties hold divergent opinions on certain issues.

9300/12947

CSO: 4205/12

# MCA REJECTS MEMBERSHIP OF NON-CHINESE INDIVIDUALS

Selangor KIN KWOK DAILY NEWS in Chinese 23 Feb 86 p 2

[Text] Datuk Lee Kim Sai, secretary general of the Malaysian Chinese Association [MCA], confirmed that in its meeting day before yesterday (20 Feb), MCA's Central Committee deliberated on whether non-Chinese individuals could be accepted as members and finally decided that the answer was in the negative.

Datuk Lee believes that in the event of a merger between MCA and the Malaysian People's Movement [GERAKAN], non-Chinese members of the GERAKAN would be regarded as "associate members" of the new political party, an arrangement which would definitely be unacceptable to the GERAKAN leadership. This is because an associate member has no right to representation nor voting rights.

Datuk Lee made these remarks for the benefit of reporters after officiating at an MCA election committee meeting held at the MCA headquarters today. He stated that the MCA Central Committee refuses to revise the party's statutes which would enable non-Chinese individuals to be acceptable as MCA members.

He said: "During the meeting day before yesterday, we simply did not bring up the suggestion for revising the party's constitution in order to enable non-Chinese persons to join our party. However, we did discuss whether they could be accepted as associate members. At any rate, our final decision was that MCA membership is restricted to ethnic-Chinese Malaysians only."

Asked whether at the present stage non-Chinese individuals may join MCA, he said: "Our party statutes will definitely not permit it."

"The draft amended statutes adopted by the Central Committee Meeting the other day do not allow non-Chinese to become MCA's associate members, either."

On the numerous difficulties to be faced in the process of MCA-GERAKAN merger, Datuk Lee said: "I also believe that GERAKAN will not accept its non-Chinese membership components to be regarded as mere associate members in the new party."

Asked about the time the MCA-GERAKAN Joint Council will hold another meeting, he said: "The GERAKAN side has done a lot of talking since our first meeting, so let's let them decide about the timing."

Asked whether GERAKAN Secretary General Kuok Shu Chen has contacted him to discuss the date for the next joint council meeting, Datuk Lee said: "We agreed on our first meeting not to hold our dialogues through the mass media."

9300/12947

CSO: 4205/12

## MALAYSIA

### MCA PLEDGES TO FULFILL CHINESE ASSOCIATIONS' ASPIRATIONS

Selangor KIN KWOK DAILY NEWS in Chinese 23 Feb 86 p 2

[Text] The Chinese-based Malaysian Chinese Association [MCA] has no right to oppose the aspirations of Chinese associations, otherwise it is not qualified to represent the rights and interests of Chinese society.

MCA President Tan Koon Swan made this remark during an MCA Spring Festival gathering at Bukit Bharu last evening.

He said that since the Chinese associations' declaration represents the aspirations of the majority of the Chinese, it naturally also represents the views of MCA's basic membership. However, in order to realize the ideals embodied in the said declaration, closer cooperation and coordination between MCA and the Chinese mass organizations is still essential.

Tan indicated that MCA will not shirk from its responsibility, while Chinese society should also stand firmly on its ground, and both sides should distinguish their respective objectives and work with one another through cooperation and division of labor.

He pointed out that with the next general election coming up soon, everyone is worried about whether the MCA can emerge victorious. In his view, politically-savvy people should understand the current national situation. For example, unemployment is a world problem, so if a person casts his vote for an extremist opposition party, will our social and economic situation be improved or will our country and society turn more chaotic? All of us should learn from the happenings in the Middle East and the Philippines. These countries have plunged into chaos and their economy and politics are in turmoil, while the people are in a sad plight.

Tan Koon Swan frankly admitted that Chinese associations are facing dissatisfaction and problems in cultural, economic, and political matters. All these issues have piled up for a long period, and they cannot be resolved overnight, except by the cooperation and coordination between the MCA and Chinese associations.

He reaffirmed that the MCA will henceforth take the initiative in approaching Chinese society and in resolving the difficulties of its members.

Earlier, he expressed his pleasure over the presence of certain state assemblymen in last night's gathering, including Lim Yi Khim and Siao Siu Bee, an indication that they have relinquished their prejudices to return to MCA's fold.

Tan pointed out: "Let us forget our nightmare which has been going on for the past 20 months. We have now so many things that need to be done and we have no time to waste on meaningless bickerings."

9300/9435

CS0: 4205/13

## MALAYSIA

### MEMBERS OF CHINESE ASSOCIATIONS REFUSE TO SERVE AS MCA CANDIDATES

Selangor KIN KWOK DAILY NEWS in Chinese 23 Feb 86 p 3

[Text] The All-Malaysia Chinese Associations Human Rights Committee today issued a statement refuting a certain press report purporting that some of its members will act as MCA candidates in the forthcoming general election.

According to the press report, "it is quite possible that in the coming general election, the Malaysian Chinese Association [MCA] will dispatch several representatives of Chinese associations to run under the banner of the National Front." The report also added that "many MCA leaders, in reply to our reporter's question, did not deny that the party would possibly adopt such a strategy."

Now the All-Malaysia Chinese Associations, in order to maintain its impartial image toward any political party, has made a clarification reading as follows:

1. The All-Malaysia Chinese Associations Human Rights Committee, as the leading institution of the entire Chinese mass organizations, was founded for the purpose of implementing the "1985 All-Malaysia Chinese Associations Joint Statement." Based on this joint statement's principles and stance, the Human Rights Committee treats one and all equally without discrimination, and takes the initiative to hold discussions and dialogues with various political parties and lawful organizations about the complicated problems being faced by the people in an effort to solve them. Consequently, besides holding dialogues with members of the National Front, we also carry out dialogues with other political parties and lawful organizations.
2. During a dialogue on 19 February between representatives of our committee and the MCA, a certain MCA Central Committee member did mention about the possibility of our members acting as MCA candidates, but no discussion ensued nor any decision reached.
3. This matter was discussed at a Human Rights Committee's regular meeting on the evening of 20 February. The meeting unanimously resolved that: to hold strictly our impartiality toward all political parties, we reject any and all such suggestions.

9300/9435  
CSO: 4205/13

**PAUL LEONG ANNOUNCES HE WILL NOT RUN FOR PENANG CHIEF MINISTER**

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 13 Feb 86 p 3

[Text] Datuk Paul Leong Khee Seong, deputy chairman of the Malaysian People's Movement [GERAKAN], indicated that he is not interested in running for the post of Penang chief minister in the coming general election. His announcement has repudiated all speculations about the possibility of his becoming the next chief minister in Penang.

According to a GERAKAN source, Datuk Paul Leong gave a group of party members in a meeting in Penang last week a number of reasons why he was not interested in the appointment.

One of the reasons is that GERAKAN Chairman Datuk Lim Keng Yaik had already promised the membership that the post of Penang chief minister must be held by a native son of Penang, a decision respected by Paul Leong.

Moreover, Paul Leong clearly understands that to the leaders of the GERAKAN in Penang, it would be a humiliation if the post were to be assigned to an outsider. He knows full well that as Penang's chief minister, he would not be welcome by the majority of the party members and the people over there.

Last week, GERAKAN's secretary general Kuok Shu-chen was quoted as saying that Minister Paul Leong, an MP representing the Taiping constituency, was considered by the party to become the next Penang chief minister on the grounds that he commands the respect of its membership and other member parties of the National Front.

Political observers believe that Paul Leong would be the best candidate for the next Penang chief minister, because the two factions within GERAKAN are still unable to reach an understanding as to who would be the best person to assume the coveted post.

According to report, one of the factions, which is headed by Tan Kim Hua, JP, chairman of the GERAKAN Penang Liaison Committee, hopes that Dr Koh Tsu Koon would succeed Dr Lim Chong Eu's post. The other faction, led by Datuk Koh Gak Kim, believes that Datuk Koh himself is the right candidate.

9300/12947  
CSO: 4205/12

## REASONS FOR FORMING SABAH CHINESE PARTY DISCLOSED

Kuala Lumpur BERITA HARIAN in Malay 5 Mar 86 p 11

[Article by Daud Haji Awang: "Sabah Chinese Party Has Been Registered"]

[Text] Kota Kinabalu, Tuesday [4 March]--Today Mr Francis Leong, a former member of the PBS [Sabah United Party] representing the Sembulan area in the State Legislative Assembly, officially announced the formation of the Sabah Chinese Party (PCS).

The idea of establishing this party, he said, grew from his dissatisfaction with and the rebuffs he suffered from the Sabah United Party (PBS) of which he had been a member.

The former fisheries and agriculture ministerial aide said his party had been registered officially on 28 February and was now prepared to face the coming state election.

At a press conference, he introduced Mr Bernard Chu Thau Hien, former member of the State Legislative Assembly representing the Sungai Subuga area, as vice president of the new party, Mr Jeffrey Chu Yee Ming (secretary general), Dr Charlie Cheng Chau Lap (Information Committee chairman), and Mr John Lim Yu Sin (party managing director).

### Regrets About the PBS

Mr Leong and Mr Bernard Chu were two of the four members of the State Legislative Assembly who resigned from the PBS recently.

Mr Leong regretted that the PBS, which had been expected to represent the Sabah Chinese people, failed to act effectively.

Speaking during a press conference held at his home in Penampang near here, he said that while he was a member of the PBS, its leadership frequently ignored what he voiced.

"I was hurt. They acted as though I was not a member of the party leadership, and they often asked me to keep silent on matters involving the interests of the Chinese community. This made me discontented with the party," he said.

According to Mr Leong, now that the party has been registered, it would be good if it applied for membership in the National Front (BN).

Asked why he was in such a hurry to apply for membership in the BN when other parties, including the PBS, failed to become members, Mr Leong said:

"I believe the Chinese community can be represented effectively in Sabah, and the way to do this is through a party that really represents them and becomes a member of the BN."

Acting as president temporarily, Mr Leong said the party will form branches in the regions where there are Chinese voters such as in Sembulan, Api-Api, Likas, Kudat, Tanjung Papat, Sri Tanjung, Karamunting, Elopura, Sungai Sibuga, and possibly in Tenom, Petagas, and Balung.

6804

CSO: 4213/126

## MALAYSIA

### DAP OFFICIAL URGES EQUAL TREATMENT FOR NON-MALAYS

Selangor KIN KWOK DAILY NEWS in Chinese 23 Feb 86 p 8

[Text] The deputy secretary general of the Democratic Action party [DAP], Lee Lam Thye, MP, urged the government to admit that in the realms of public and civil services, non-Malays are indeed discriminated against and to rectify this irregularity. Lee believes that if the problem is not quickly solved, it will lead to the worsening of ethnic polarization in our country and the destruction of our national unity in the long run.

He deplored the government's attitude of silence when dealing with public criticisms concerning the treatment of non-Malays in the field of public services. He said the government should not pretend ignorance about this serious problem or take a nonchalant attitude about it.

Lee Lam Thye pointed out DAP's stand on this problem has always been firm and clearcut. This party has repeatedly urged the government to halt the trend of ethnic polarization in public and civil services, especially the appointment of heads and responsible persons in various departments, as well as the promotion of government officials. He criticized that for many years past, practically all levels of jobs in public services are monopolized by people representing one nationality. He said that the DAP has been seriously paying attention to this trend, because it has created feelings of dissatisfaction in the non-Malay communities. Too much emphasis and consideration has been given to a certain nationality when it comes to appointing and promoting public functionaries, and this can lower the professionalism of public services. Instead of using talents and the ability to deal with problems as criteria to hire and fire public functionaries, other factors are put into play, and this is a dangerous way of doing things. The high-ranking officials of public services institutions are responsible for carrying out all policies which affect the general public, and they should be well qualified to discharge their duties.

9300/9435

CSO: 4205/13

## MALAYSIA

### SENATOR KEE YONG WEE DISCUSSES IMPACT OF PAS STRATEGY

Selangor KIN KWOK DAILY NEWS in Chinese 24 Feb 86 p 2

[Text] The deputy minister of trade and industry, Senator Kee Yong Wee, pointed out that the effective strategy adopted by the Islamic Party [PAS] not only has won the gradual support of Malay society, but also produced a soothing impact on Chinese society, and this trend is likely to cause a serious threat to the National Front government.

He said that the long-range aggressive strategy currently being pursued by PAS includes the encouragement of more Moslem immigrants from foreign countries, the carrying-on of work without complaint and an exertion of effort to influence pervasively non-Moslems to be converted to Islamism and become Islamic adherents.

Kee Yong Wee disclosed that the third strategy and objective is to win more votes in the coming general election and eventually to grab political power and rule the country.

He pointed out that the presence of Islamic fanatics will gradually create instability and chaos to our country and society. Although Malay society has a common religious belief, yet machinations and blandishments by the PAS will cause a split between the moderates and extremists within Malay society. Furthermore, as PAS extends a friendly hand and says pleasant things to Chinese society, its strategy is beginning to take effect, and many Chinese cannot help being attracted by its views and promises. If this threat keeps developing, it will be a big challenge to the National Front and the Chinese community, in addition to being a trend toward disaster.

Mr. Kee said that the Islamic Party has stressed to the Chinese community that once it holds political power, the Chinese people will be treated equally without discrimination. This is a gross deception, because, according to PAS' constitution, only a male Islamic follower can be elected prime minister. As to its other promises, they cannot be fulfilled, either, as its "pleasant" sayings addressed to the Chinese are merely a political strategy to win support.

These remarks were made by Senator Kee Yong Wee at a political seminar where he spoke (in English) on the subject of "Political Trends in Our Country." The seminar was organized by the Negeri Sembilan MCA today.

Mr. Kee said that in the coming general election, member parties of the National Front will adopt a policy of moderation and join hand in hand to win the election, with social and racial harmony as their point of departure. He believes that in the coming general election the National Front members will fight shoulder to shoulder against their opponents, as attested by their recent remarks.

He said that in the wake of the success of MCA's reform movement, its new leadership will more openly adopt a responsive attitude in welcoming potential leaders to serve for the party and the country. And it is good to learn that the infighting within the Malaysian Indian Congress [MIC] is now over, to be replaced by a new sense of unity. All these are favorable conditions for the National Front government to march further forward.

On the question of MCA-GERAKAN merger, Mr Kee said that leaders of both parties are continuing with their dialogues. As to whether the MCA will or will not be transformed into a multiracial political party, it is still premature to say one way or the other. Perhaps, after 50 years, Chinese society, Indian society and Malay society will remain as they are today, something we do not want to see. In the final analysis, the United Malay National Organization [UMNO] will remain a monoracial political party.

Touching on our economic situation, Mr Kee said that in 1982 our country's development in various fields was rapid, and everything was fine. After 1982, however, many developing countries, including Malaysia, was affected by the worldwide economic recession, resulting in the suspension or curtailment of our major projects. Add to this the steep drop in price of our primary products, and our national economy went from bad to worse, businesses were affected and unemployment became a serious problem. All this has some direct relation with the excessive immigrants from foreign countries.

He said that placed in such abnormal times, it is no wonder that many people turn to religion one after another in search of spiritual solace. Therefore, the outbreak of the bloody incident in Memali was understandable. Mr Kee said that during the bitter Japanese occupation period, he also saw the enthusiastic interest of the people in religion.

He finally said that although the situation in our country is not as stable as in the recent past, our present political stability is still much better than our neighboring countries.

9300/9435  
CSO: 4205/13

MISUNDERSTANDING OF APPLICATION OF ISLAMIC VALUES VIEWED

Kuala Lumpur UTUSAN MALAYSIA in Malay 14 Mar 86 p 8

[Editorial: "The Concept of Applying Islamic Values"]

[Text] There has been much turmoil not only in the Muslim community itself but also in the non-Muslim community since the government launched efforts to apply Islamic values.

Even though the turmoil did not cancel any benefits that derived from these good efforts, they not only were partially successful but also perhaps some doubt was thrown on the government's true desires and on the concept of Islamic teachings themselves.

The guideline for the concept of applying Islamic values was aimed at making Muslims and the people of this country more dedicated, more honest and responsible, not only toward each other but also toward religion and the country.

The concept of applying Islamic values was in no way aimed at forcing non-Muslims to change their religions or beliefs but rather to create a harmonious Malaysian society, one in which people respected each other and learned more about their respective cultures and beliefs.

Perhaps the reactions of some members of the Islamic community caused the confusion about the application of Islamic values being a concept of force which usually erupts into opposition and quarreling.

The bloody affair in Memali, for instance, could be considered the height of turmoil about the concept of applying Islamic values, rather as it was applied in Iran. This could have led to misunderstandings within the non-Muslim community about this concept.

The BNF scandal, which involved several Muslims, also could have given a false impression about Muslims being unable as yet to turn individuals of the faith into people who were honest, dedicated, and responsible.

Actually, the concept of applying Islamic values can be interpreted very broadly, and its target or goal is also unlimited, like the Islamic concept of faith which has 70 rules.

Mutual respect between close neighbors, wanting to help those in difficulty, moreover, offering food and drink to hungry animals is also part of the manifestation of faith on the part of Muslims.

Conversely, extremism, enmity, distrust, and slander ~~are rejected by Islam~~ so these are not part of the concept as taught by Islam although some Muslims do not observe this.

Therefore, if much confusion or doubts still exist about efforts made toward applying Islamic values, they are due to nothing more than the failure of Islamic propagators, learned ulema, teachers, intellectuals, and the Islamic leaders themselves to provide non-Muslims with information on Islam.

6804

CSO: 4213/126

END TO FORCING NON-MOSLEMS TO TAKE ISLAMIC COURSES URGED

Selangor KIN KWOK DAILY NEWS in Chinese 16 Feb 86 p 3

[Text] Lim Kit Siang, general secretary of the Democratic Action party [DAP], today urged Education Minister Datuk Abdullah Badawi to issue an instruction putting to an end the enforcement of non-Moslems to take Islamic courses.

In a statement issued today, Mr Lim, who is also leader of the opposition in Parliament, said that he has received complaints from a number of non-Moslem teacher trainees that they are being forced by certain Teacher Training Academies to take Islamic courses, otherwise their subsidies would be curtailed.

This incident has violated the constitutional right to freedom of religious beliefs and the promise by the prime minister to the effect that there would be no coercion in developing Islam and the Islamic values.

A case in point is the Teacher Training Academy in Kuala Trengganu, according to Mr Lim. There, teachers undergoing training are required to attend Islamic courses two or three times a year, each lasting two or three days, or a week. If they did not take part, their subsidies would be cut. Furthermore, these teachers were not given time and opportunity to pay homage to their own religion.

Mr Lim urged the education minister to instruct the Teacher Training Academy's dean and staff to halt forcing non-Moslem teacher trainees to take Islamic courses, otherwise he would consider bringing the case before the court to test the true meaning and value of the freedom of religious beliefs as guaranteed by the constitution.

Mr Lim indicated that the Malaysian people must pay close attention to the current encroachment of the rights of non-Moslems. Some parents have discovered that their under-18-year-old children have been induced to leave their homes and parental supervision to be forcefully converted to Islamism.

Lim Kit Siang pointed out that on 4 February, Prime Minister Datuk Sri Dr Mahathir indicated that functionaries entrusted with the implementation of Islamic-value must stop the use of brute force. It is clear that the dean

of the Teacher Training Academy in Kuala Trengganu has violated the prime minister's directive and that he ought to be dismissed forthwith.

The Democratic Action Party has been paying close attention to the erosion of the rights and freedom of non-Moslems to religious beliefs. Its central working committee plans to hold a meeting on 9 March to discuss this problem.

9300/12947

CSO: 4205/12

## CCPIT PLEDGES TO NOMINATE MALAYSIAN AGENTS

Kuala Lumpur UTUSAN MALAYSIA in Malay 7 Mar 86 p 13

[Article: "China Trade Promotion Council Pledges It Will Nominate Malaysian Agents"]

[Text] Kuala Lumpur, 6 March--The China International Trade Promotion Council (CCPIT) pledged it would nominate Malaysian agents for marketing China's export items in direct trade with Malaysia.

In the framework of a reciprocal visit to this country, the CCPIT was prepared to implement as soon as possible the agreement achieved during the visit of Datuk Sri Dr Mahathir Mohamad to China at the end of last year to avoid trading through third countries such as Hong Kong and Singapore.

Dr Nawawi Mat Awin, chairman of the Malaysian Malay-Chinese Boards of Trade Joint Council, said the pledge was made by Mr Guo Dongpo, chairman of the CCPIT delegation during a meeting held last night.

"We welcome the pledge and the readiness of the CCPIT to follow through on this matter, and we are convinced that the problem of using third countries for trade purposes will be even better resolved with the formation of the Sino-Malaysian Boards of Trade Council whose membership consists of the boards of trade of the two countries," he said.

Speaking to newsmen after a dinner meeting honoring the Chinese trade delegation held in a well-known hotel here last night, Dr Nawawi Mat Awin was certain the matter would be settled quickly since the government was deeply interested in it.

"The government fully supports this effort, and we shall request the government's assistance in eliminating any obstacles that might arise, including the question of import permits," he remarked.

Touching on the nomination of two agents in Singapore by the Guangdong Development Ltd Company, a company located in China's Guangdong Province, to conduct trade with businessmen here, he said this need not be of concern any longer.

"The CCPIT has pledged that this practice will be discontinued, and we welcome the guarantee. Both sides will try to keep this from happening again.

"The members of the delegation were interested in conducting direct trade, and the meetings that were held produced good results. I am convinced that both sides were sincere," he added.

There is no reason, he said, why trade must be handled by middlemen if both sides are capable of handling it directly because the latter way is more profitable and reduces costs of operation.

The nomination by China of two agents in Singapore early in January disconcerted Malaysian businessmen and the government because it was made impulsively right after the agreement on direct trade was achieved by the leaders of both countries during the visit of the prime minister in November.

6804

CSO: 4213/126

## FUNDING FOR RURAL PROJECTS ANNOUNCED

Kuala Lumpur NEW STRAITS TIMES in English 5 Apr 86 p 3

[Text]

**BUTTERWORTH, Fri.** — The Government has allocated more than \$18 billion for rural development projects under the Fifth Malaysia Plan (FMP), Agriculture Minister Anwar Ibrahim said today.

The amount, which accounted for more than 17 per cent of total development expenditure under the FMP, demonstrated the Government's continuing emphasis on rural development.

The efforts put in by the Government negated allegations by certain quarters that it neglected people in the rural area, he said

when opening the Seberang Perai Tengah Integrated Kampung Project in Permatang Pasir near here.

Encik Anwar said the project was aimed at raising the living standard of villagers as well as ensuring that Government allocations reached the needy.

### Objectives

Close rapport among all Ministries concerned was vital in ensuring the effectiveness of the project.

The various programmes in the integrated kampung project

would be futile if the villagers failed to respond.

The Minister said they should work hard to reap the benefits as well as plan follow-up programmes to attain the project's objectives.

The programmes included freshwater fish and poultry rearing as well as planting of fruit trees to boost the income of participants.

Encik Anwar said although only three villages were involved in the project, other villages would continue receiving the usual assistance from the Government. — Bernama

/9274

CSO: 4200/930

## MALAYSIA

### BRIEFS

**INDONESIAN ILLEGAL IMMIGRANTS**—The deputy secretary general of the Democratic Action Party [DAP], Lee Lam Thye, MP, today urged the government to take concrete action in speeding up the expulsion of Indonesian illegal immigrants, as a measure to ease the serious unemployment problem in our country. Lee Lam Thye pointed out that this is a most important move, because about 1 million Indonesian illegal immigrants are in our territory and causing a threat to our own people's job opportunities. He believes that if the government is sincere, it should launch the expulsion movement rightaway, which would provide many jobs to Malaysian workers who have been out of work or laid off. He said that next month DAP will introduce a bill to Parliament aimed at stringently checking the infiltration of illegal immigrants, because not only do they affect local workers' opportunities to earn a living, but also cause a threat to our national security and public order. Mr Lee also urged construction contractors and estate administrations to support all measures aimed at doing away with illegal immigrants. He also proposed to the Labor Ministry to revise labor laws in order to improve the welfare and treatment of construction and estate laborers. [Text] [Selangor KIN KWOK DAILY NEWS in Chinese 25 Feb 86 p 3] 9300/9435

CSO: 4205/13

PAPER WEIGHS PROS, CONS OF U.S. LIBYA STRIKE

HK220159 Wellington THE EVENING POST in English 16 Apr 86 p 6

[Editorial: "What Happens When Dust Clears?"]

[Text] What happens when the dust settles from the American bombing strikes against Tripoli and Benghazi, an already jittery world will be asking.

The other big question is whether America is justified in using military might against Libya.

A number of New Zealanders will be aghast at the news of the bombing raids and the death and injury caused to civilians and foreign nationals. Death and injury imposed upon civilians is at the very heart of America's punitive action. Terrorism engineered or supported and boasted about by Libya's leader, Col Al-Qadhafi, kills plenty of innocent people and attempts to hold national hostage to real or threatened terror [words indistinct] to innocent travel has been trampled upon by terrorism. Col Al-Qadhafi is seen as a dangerous man.

New Zealanders justifiably shocked and angry about the act of French state terrorism in the sinking of the Rainbow warrior have been given a glimpse of how Europeans and Americans feel about Libya's preparedness to use and to encourage terrorism against them. The car bombs, the exploding aircraft, the public places and embassies turned into a bloody shambles are a regular fact of death in the Mediterranean and Europe.

Critics of American action against Libya have to ask what else was to be done. Was a braggart who openly talked of the preparedness to use and support terrorism to be allowed to continue to act with impunity as a role model for other states and protest groups?

But then come the doubts. Libya is not alone in encouraging and using terrorism as a tool of state policy. The American military action is not necessarily going to stop Libya using such a means to an end. In fact the raids may intensify Libya's resort to terror, and enhance Col Al-Qadhafi in the eyes of a lot of Arab groups. Bombing is a clumsy instrument which cannot surgically remove whatever feeds the training, planning and supply of terrorism. Lots of innocent people and property are hurt and damaged in the process.

Demands for proof of Libya's direct involvement in certain of the acts of terrorism cited as a trigger for the American response may be difficult to produce to courtroom standard. America will not want to expose its intelligence gathering capabilities yet protecting that information is going to allow critics to claim that America does not have such proof.

Other Arab states may feel obliged or be eager to support Col Al-Qadhafi against the military intrusion of America.

The Soviet Union has cancelled talks which were to be a preliminary to the summit meeting of Mr Gorbachev and President Reagan, and has generally condemned the American attacks. So the raids on Libya can be seen to have caused a further rise in tension between the two superpowers. That adds to the risks for everybody.

States accept that they have a right to protect their citizens and property against attack. A superpower in particular has the means to assert that protection. A lot of people though will be asking if the use of such force was the right response, and if what America wants is always going to be what America will seek to get by any means.

Those same people should also be asking what their answer is to state use of terrorism and state support of terrorism.

Seeing the small population third world state of Libya as the victim of a superpower quite ignores what Libya has done and was threatening to do by use of violence.

People wishing to safely travel through the Mediterranean area and Europe would be more conscious of that consideration than people comfortably staying at home in New Zealand.

/12913

CSO: 4200/939

LANGE SAYS TALKS WITH FRANCE 'LONG PROCESS'

HK120410 Hong Kong AFP in English 0336 GMT 12 Apr 86

[Text] Wellington, 12 April (AFP)--Negotiations underway between France and New Zealand to settle outstanding issues of the French bombing of the Greenpeace vessel Rainbow Warrior are likely to be "a long process," Prime Minister David Lange said Saturday. "The important thing is that we are now engaged in talking over the issues," Mr Lange said on national radio. "It is so important that we are not seen to have some sort of fragmented, piecemeal, limited focus" in the negotiations, he added.

The first indication that the two governments had started direct talks on issues raised by the Rainbow Warrior bombing last July came Friday from French Prime Minister Jacques Chirac, who told French journalists the negotiations were underway.

The talks involved New Zealand diplomats in Paris and are the first since talks between senior officials from the two countries broke down in New York last year. Mr Lange hinted earlier Saturday that the main stumbling block to any agreement--France's demand that two French agents jailed for the bombing be returned home without precondition--might be resolved if they were moved to a military jail or detention in either France or one of its territories.

But he further indicated again that New Zealand would need "cast-iron guarantees" that the pair would not simply be set free on their return to French authorities, adding that he did "not think a resolution will be quick" on the matter.

Major Alain Mafart and Captain Dominique Prieur were jailed for ten years after pleading guilty to manslaughter and conspiracy charges for their part in the bombing of the Rainbow Warrior last 10 July in Auckland Harbour.

Mr Lange said his government was "conscious" of the merit of people serving jail sentences in their own countries "if only for the humanitarian aspects of the families of those people." Earlier this year he said the quickest way for his Labour Government to lose the next election was for the New Zealand media "to publish photos of that pair sunning themselves on the Cote d'Azur" before election day.

Mr Lange also denied suggestions that Associate Finance Minister Richard Prebble, who is to attend ministerial talks at the Organization for Economic Cooperation and Development (OECD) in Paris next week, would be involved in any formal or informal talks with the French Government. "We are talking about a broad issue which Mr Prebble has no brief on at all," he said.

/12913

CSO: 4200/939

POLL SHOWS NATIONAL PARTY AHEAD OF LABOR

HK170107 Wellington THE EVENING POST in English 11 Apr 86 p 6

[Text] (NEW ZEALAND PRESS ASSOCIATION)--Support for the National Party is now slightly ahead of that for the government, according to the latest Heylen Eye Witness poll released last night. And new Opposition Leader Jim Bolger, has seen his support as preferred Prime Minister double, although he is still firmly in third position behind Prime Minister David Lange and former National leader Sir Robert Muldoon.

The poll, taken on Saturday, 10 days after Mr Bolger was elected Leader of the Opposition, showed support for national running at 48 percent, an increase of 4 percentage points. Labour's support had dropped two points to 47 percent. The poll had a margin of error of 3 percent. Support for the Democratic Party was steady at 4 percent. New Zealand Party support was rated negligible.

Mr Lange was clearly rated preferred Prime Minister, with 31 percent support--but 1 point down on the last poll. Sir Robert Muldoon--returned to the opposition's front bench in last week's reshuffle--attracted 19 percent support, up 3 points. Mr Bolger attracted 13 percent, up 7 points. Deposed National Leader Jim McLay polled 1 percent support, down from 3 percent last poll. Former National Party Cabinet Minister Derek Quigley rated 4 percent support, down from 5 percent.

The government received a 40 percent approval rating for its overall performance, down 1 point on the last poll. Approval figures for specific areas of government performance, with the previous poll's figures in brackets:

Economy 36 percent (35 percent); unemployment 32 (33); farming 30 (30); interest rates 19 (15); inflation 33 (35).

Asked how they viewed the future economic situation, two-thirds of those polled said they thought it would remain as it was, or get worse.

/12913

CS0: 4200/939

## NATIONAL PARTY'S BOLGER COMMENTS ON ENTRY OF NUCLEAR SHIPS

HK170105 Wellington THE EVENING POST in English 11 Apr 86 p 5

[Text] (NEW ZEALAND PRESS ASSOCIATION)--A future National Government would allow nuclear armed and nuclear propelled warships into New Zealand ports, the leader of the opposition, Mr Bolger, said yesterday. Speaking at this post-caucus press conference, Mr Bolger said that, under National Party policy, nuclear-armed ships could visit New Zealand ports. He said the policy would also clearly allow nuclear-propelled ships to visit New Zealand ports.

Mr Bolger said National Party policy was to accept the international position of neither confirm nor deny how a vessel was powered or armed.

Asked whether that policy would allow nuclear-armed vessels into New Zealand ports, Mr Bolger said his party accepted they neither confirm nor deny policy of countries like the United States and Britain. He said nuclear armed ships could come into New Zealand. "That is the position New Zealand clearly has to adopt if we are going to remain within the Western alliance, much less remain within ANZUS," Mr Bolger said.

Commenting on nuclear-propelled ships, Mr Bolger said his party's policy would "clearly allow nuclear-propelled ships in." He said a future National Government would honour its ANZUS commitments. Mr Bolger said it was important New Zealand should remain an active member of the Western alliance. "What we've witnessed in recent months is New Zealand being forced out of that alliance by a series of events." Mr Bolger said he found it more than alarming New Zealand was not almost bereft of strong supporters and strong allies in the Western group of nations.

/12913

CSO: 4200/939

LANGE CRITICIZES PLANS FOR RUGBY TOUR OF SOUTH AFRICA

HK130454 Hong Kong AFP in English 0436 GMT 13 Apr 86

[Text] Wellington, 13 April (AFP)--Prime Minister David Lange has denounced reported plans of rebel New Zealand rugby players to tour South Africa as "selfish," and "not good for rugby in New Zealand, nor for the country."

He was commenting on recent reports that up to 28 players from last year's New Zealand all black rugby team were to play a dozen matches, including four unofficial "tests," in South Africa in coming weeks.

Mr Lange said the "clandestine manner" in which the players had organised the tour meant they knew "full well" that what they had planned was not in the interest of their compatriots. "They are pursuing their own and not New Zealand's interests," he said in an interview with Radio New Zealand, adding, "you could not possibly see them as representatives of New Zealand."

The government had previously made clear its opposition to a rugby tour of South Africa, and an official all blacks tour of the country last year was cancelled after legal action.

Mr Lange said the tour was in the worst of taste, occurring at a time when heightened racial violence in South Africa was leading to hundreds of deaths.

Meanwhile, anti-apartheid groups in Auckland, Wellington and Christchurch have promised to stage protest actions at provincial rugby matches Sunday.

Rugby players due to leave on their tour later in the day from Wellington and Christchurch can also expect pickets to greet them at the airports, the protesters said.

New Zealand Commonwealth Games Association Chairman Roy Dutton further warned that the proposed rebel tour would "place a cloud" over New Zealand participation in the Edinburgh Commonwealth games this year. Mr Dutton said that while he did "not expect drastic action" against New Zealand athletes because of the tour, much still depended on how the New Zealand Rugby Union and the New Zealand media reacted to it.

His association has already written to the Rugby Union pointing out the implications for New Zealand sport if a team of New Zealand rugby players toured South Africa, he said.

Radio New Zealand also broadcast comment from New Zealand Rugby Union Chairman Ces Blazey in London denying all knowledge of the rebel tour. It would be "a grave development for New Zealand rugby" if a large group of top players toured South Africa without official union permission to do so, Mr Blazey said.

Only seven all blacks have been given permission to go to South Africa for a series of four invitation matches.

/12913

CSO: 4200/939

## THAILAND

### COLUMNIST FAULTS FOREIGN POLICY, TRADE TIES WITH U.S.

Bangkok THAI RAT in Thai 8 Mar 86 p 5

[Slap in the Face column by Pleo Singoen: "Real Friends, False Friends"]

[Text] Why does Thailand follow a policy that makes it seem as if Thailand is the 52d state of the United States? The fact is that the Thai people are much more loyal as friends than are U.S. congressmen. Most Asians are loyal to their friends. As for Europeans and Americans, their loyalty usually depends on shared interests. Asians think one way while Westerners think another way. Thus, relations at the national level cannot be measured in the same terms.

Today, the enemy is at our border. Frankly, U.S. help has not saved us from the crises. Friendly relations with China were restored only 10 years ago. But China, which is an Asian country, is a much more trustworthy friend than the United States. Take the problem with the Vietnamese, Cambodians and Lao along the border, for example. If we did not have China to put pressure on the enemy, I don't know what would happen. What does China gain from associating with us? China even has a balance of trade deficit with us, which is not necessary for them. When we can't sell our rice or corn or don't have oil, we rush to China for help.

We export clothing, canned food, upland field crops and electric circuit boards to the United States. But instead of helping us as a long-time friend, the United States has implemented protectionist laws. And now it is asking permission to establish a "war reserve weapons stockpile" in Thailand, which is tantamount to inviting the enemy into the house again. As has been discussed before, in the present situation in the world, people should not be thinking about war. Rather, we are in a trade war. A tiny country like Thailand should not become the underling of the United States. We can't make any decision without first asking them for permission. And they are the ones who gain; we only lose.

Recently, when the Jews had problems with other Middle Eastern countries and a resolution condemning them was introduced in the United Nations, we clung to the United States and abstained. This is why countries in the Middle East are suspicious of us today. This has resulted in our suffering losses on the trade

policy front. The Middle East is a potential market for our goods. But we have not acted sincerely toward them. How can we expect the Arab groups to cooperate and trade with us?

The same is true for Laos, Cambodia and Vietnam. Instead of taking this opportunity to trade with them, we have implemented a war policy and claimed that they don't have any money to purchase our goods. And so our sales have dried up. We have allowed others to take advantage of this situation and make huge profits. What is the reason for this? It's because we have followed a policy of smelling America's ass. Has that done us any good?

Inviting the United States to return is tantamount to increasing the pressure and ruining the atmosphere of "being friends with all sides," which has kept us safe until today. Remember, the one who is citing war as a factor is the one who is trying to start a war and who is waiting for the chance to profit from this factor.

11943

CSO: 4207/207

## THAILAND

### COLUMNIST SCORES U.S. FOR FARM ACT

Bangkok SIAM RAT in Thai 11 Mar 86 p 3

[Short Jab column by Noenfa Kindin: "The Greater the Pain, the More Difficult It Is To Speak"]

[Excerpts] Just as the Thai ambassador to the United States was appearing on the television program "Conversations on the Country's Problems" last Sunday, there were reports that the United States was preparing to announce world market rice prices equal to Thailand's rice prices.

Scholars have said that as a result of the Farm Act, Thailand will lose markets in Africa and the Middle East. And besides this, the Hong Kong market will be seriously affected, too. All we will be able to sell is a little jasmine rice. The problems that have arisen and that are now causing great suffering throughout the country will grow even worse. The farmers are already suffering because they can't sell their rice.

The United States is a huge country with vast wealth. It is a great power and has relatively few farmers. But the U.S. Congress and the president have sought ways to help the farmers there lower production costs and find new markets.

The ambassador was right when he said that the United States is not the world's policeman or Thailand's protector. Rather, it is a businessman or trade market that wants to protect itself and put pressure on its competitors. In the eyes of the United States, Thailand and ASEAN are trade competitors in the Free World. There are no "permanent friends."

The United States will do anything to protect its trade interests and bring currency into the country. It will not show any sympathy or mercy for Third-World countries. As for the help that the United States will continue to provide, it will probably provide this help to benefit certain people in the underdeveloped countries, people whom it considers to be "permanent underlings."

If we tell this unfeeling great power to stop interfering, I am afraid that we will be accused of siding with the Soviet Union. This is very troubling.

11943

CSO: 4207/207

STUDENTS, POLITICIANS, COMMENTATORS MOBILIZE ON FARM ACT

Government Prepares to Cope

Bangkok SIAM RAT in Thai 1 Apr 86 pp 1, 12, 10

[Unattributed report: "Prem Warns 'Uncle Sam' That the Farm Act Will Determine 'Friendship'"]

[Excerpts] The government has warned that the Thai people are watching to see what the United States will do to help solve the problems that will arise as a result of the Farm Act. There will definitely be strong protests if they set rice prices the same as ours without considering the facts. Commerce has allotted 1,680 million baht to purchase rice in the hope of pushing prices higher.

On the morning of 31 March at the Thai Khu Pa building, Government House, Gen Prem Tinsulanon, the prime minister, chaired a meeting of the economic cabinet. That afternoon, Mr Trairong Suwannakhiri, the spokesman attached to the Office of the Prime Minister, announced the results of the meeting.

Mr Trairong said that the Ministry of Foreign Affairs said that, as is known, the president of the United States signed the Farm Act into law on 23 December 1985. This will be in effect from April 1986 until 1990. This law will affect the entire economic system and cause the prices of agricultural products, including rice, to fall. The incomes of the farmers will drop, and the demand for consumer goods in general will decline. This will affect the industrial sector. And what is important, foreign currency revenues will decline.

Mr Trairong said that the Ministry of Foreign Affairs and other government units began taking action on this even before this law was signed in order to help reduce the effects of this law. We have explained the effects that this will have on the Thai economy to U.S. administrative circles and members of the U.S. Congress. We have even expressed our dissatisfaction about export supports for agricultural products and this law to GATT and the International Food Organization.

"Thailand's actions have not achieved any clearcut results, particularly in trying to persuade the United States to set fair world market prices," said Mr Trairong.

Mr Trairong did say that results have been achieved concerning the actions of the administration in carrying out things based on the law. That is:

1. Based on this new law, the U.S. secretary of agriculture must require farmers to use half the support money obtained from the government to purchase rice from the government's stockpile for sale on the markets. But after Thailand took action on this, the secretary of agriculture and the United States decided not to require farmers to purchase rice from the government's stockpile. As a result, rice from the government's stockpile will not flood the markets.

2. The United States has promised that in the case of rice, surplus goods will not be used.

3. The U.S. Department of Agriculture has stipulated that U.S. farmers are to reduce the area under cultivation by 35 percent as compared with the average area for the past 5 years. But as compared with 1985-1986, the actual reduction will be only 10 percent. This is because during the past 5 years, some areas were cultivated extensively.

Mr Trairong said that in order to carry on efforts to reduce the effects of this law continuously and achieve real results, the Ministry of Foreign Affairs held a meeting with those concerned. Those at the meeting felt that to solve this problem, action must be taken both here and abroad. An on-going effort must be made to persuade the United States to stipulate "world market prices," and the activities of the U.S. Department of Agriculture must be monitored closely. The U.S. secretary of agriculture must be persuaded to stipulate "world market prices" based on the quality of the rice. Prices should not be set at artificially low levels. The Ministry of Foreign Affairs will serve as the coordinator.

Mr Trairong said that to solve the domestic rice problem, we must quickly sign a rice sales contract with Brazil and sell rice to them at a special low price. If the rice is sold at a loss, compensation can be paid from the rice sales profits accumulated by the rice accounting unit, Ministry of Commerce. The Ministry of Commerce must sign a contract to purchase the first shipment of crude oil from Iran based on the stipulated price formula. In return, Iran will purchase an additional 110,000 metric tons of rice. The Ministry of Commerce must transfer the oil purchase contract to the Petroleum Authority of Thailand at the price agreed on. However, the Petroleum Authority of Thailand must not suffer a loss. Besides this, rice prices are now being negotiated with Malaysia. An agreement must be reached as quickly as possible.

The government spokesman said that the public, including students, must be made to understand what is happening in order to prevent them from thinking that the government is not taking appropriate action and to prevent the situation from being distorted in ways that could affect political security. The Ministry of Foreign Affairs met with student leaders on 28 March 1986 and

informed them of the facts. The economic cabinet acknowledged this and approved taking this action.

Mr Trairong said that at the meeting of the economic ministers, Gen Prem Tinsulanon, the prime minister, said that it was the U.S. Congress, not the administration, that took the initiative in passing the Farm Act. But this law was promulgated even though Thailand is one of the closest allies of the United States.

"The Thai people are watching to see what the United States will do to help us. If the United States does not help us or does not provide adequate help, the Thai people will definitely take a different view of the United States."

Gen Prem said this to the U.S. assistant secretary of state through Mr Trairong. Mr Trairong said that the U.S. assistant secretary of state replied that he understood the meaning of this and that he would relay this to the U.S. administration.

On the afternoon of 31 March, Mr Suphasit Techatanon, a Social Action Party MP from Khon Kaen Province and an advisor to the minister of commerce, said that the advisors to the minister of commerce had held a meeting that morning in order to discuss the matter of depressed rice prices. They also discussed ways to counter the effects of the U.S. Farm Act.

Those at the meeting favored using 1,680 million baht from the rice reserve fund and the rice accounting unit of the Department of Foreign Trade to purchase milled rice, with the Department of Foreign Trade purchasing the rice. Approximately 250,000 tons could be purchased for export. This should help push up domestic paddy prices. As for the Farm Act, the United States has not yet announced rice prices and so those at the meeting could not reach an agreement on this problem.

Besides this, those at the meeting agreed with having Police Cpt Surat Osathanukhro, the minister of commerce, reach an agreement with the EEC on the tapioca problem. The advisors to the minister of commerce agreed to hold another meeting on this matter before Police Cpt Surat leaves to sign an agreement.

That same evening, Police Cpt Surat, the minister of commerce, talked with reporters about this. He said that having the Department of Foreign Trade purchase rice is one tool that we can use to push up paddy prices. That is better than not doing anything.

Mr Chiramit Chiamcharoenudomdi, an SAP MP from Sakon Nakhon Province and an advisor to the minister of commerce, said that at the beginning of the year, when Mr Koson Krairuk was still minister, 800,000 tons of rice were stockpiled. Some of that has been sold and so there are now 700,000 tons left. At the same time, the Department of Internal Trade has only 30,000 tons left even though the contract calls for exporting another 100,000 tons.

Mr Danai Dulalampha, the director-general of the Economic Department, Ministry of Foreign Affairs, talked with reporters about the Farm Act. He said that we

have to wait until 11 April, which is when the United States will announce rice prices. He does not think that things will be very bad. Also, the two countries produce different varieties of rice.

Mr Danai said that on 28 March, Air Chief Marshal Sitthi Sawetsila, the deputy prime minister and minister of foreign affairs, sent a memorandum to Mr Gaston Sigur, the U.S. assistant secretary of state for East Asian and Pacific affairs, and asked him to pass the memorandum on to the U.S. secretaries of state and agriculture.

The director-general of the Economic Department also said that in setting prices, the United States should consider the facts. The fact is that our rice prices used to differ by about \$60. But recently, they have differed by about \$200 because of rice price guarantees and supports.

Mr Danai said that we have constantly sought support on this matter. The United States will not sell rice from its stockpile of 2 million tons. It will sell only what the farmers produce this year.

Reporters asked what action the other government units concerned have taken. Mr Danai said that we have done everything we can. All we can do now is wait for them to announce the prices. If the prices are close to ours, we will file a strong protest in order to express our displeasure at their disregard for the facts. As for what measures we will take, that cannot be disclosed, said Mr Danai in conclusion.

#### Chawalit, MPs Agree with Students

Bangkok NAO NA in Thai 25 Mar 86 pp 1, 16

[Unattributed report: "Students Join Forces with Politicians To Oppose the Farm Act"]

[Text] Students are again taking action on the Farm Act. They met with Mr Uthai Phimchaichon, the speaker of the House, on 24 March. Mr Uthai said that he will invite the U.S. speaker of the House to visit Thailand to learn the facts about this matter. MPs are begining to take resolute action. Preparations are being made to hold a debate at Sanam Luang on 29 March.

The speaker of the House praised the students for taking action on the Farm Act problem. Ten student representatives from 15 environmental protection groups, the National Student Federation of Thailand and the Federation of Rural Development Volunteers of Thailand and student representatives from Thammasat, Chulalongkorn, Mahidol and Chiang Mai universities came to see him and submitted a note on solving the problems resulting from this.

Mr Uthai told the students that rice is the life of Thailand. It's good to know that the U.S. government plans to help the Thai people. But it should not do anything that will have an adverse effect on an ally. If the United States feels that Thailand is a good friend, it must realize that its actions will suffocate us. An ally should not do such things.

"How can Thailand compete against the United States? We are already suffering great hardships even without such competition. The farmers are in pain, but they can't scream because they are numb," said Mr Uthai. He criticized the government for allowing the people to grow accustomed to feeling numb. This is wrong.

Mr Uthai said that the government should call in the U.S. ambassador to Thailand for discussions or send officials to discuss this matter with the president of the United States. This is much more important than negotiating to purchase weapons. If possible, Gen Prem should go and conduct negotiations in person.

The speaker of the House also disclosed that Mr Surat Osathanukhro, the minister of commerce, has announced that important members of the U.S. House of Representatives will visit Thailand. Students should collect data and submit it to these people so that they understand the problems that we are encountering.

Mr Uthai will send a note, in the name of the speaker of the House, to the speaker of the U.S. House of Representatives in order to ask him to talk with the administration about stipulating measures to reduce the effect of this on Thailand. He will invite the U.S. speaker of the House to visit Thailand and learn the facts for himself.

After meeting with Mr Uthai Phimchaichon, the student representatives met with Mr Khlaeo Norapoti, an MP from Khon Kaen and the deputy leader of the Social Democracy Party. Mr Khlaeo said that the Social Democracy Party will sponsor a debate on the effects of the Farm Act at Sanam Luang on Saturday, 29 March. The party will invite MPs who have conducted negotiations with the United States on this issue, scholars, students and farmers to participate in the debate. The purpose is to exert pressure and mobilize people from all factions in order to solve this problem.

Mr Khlaeo said that Thailand should implement retaliatory measures against the United States. For example, we could stop buying American goods or use the refugee or drug problems to negotiate with the United States. That might achieve results.

Gen Chawalit Yongchaiyut, the army chief of staff, expressed his opinion on student activities concerning the Farm Act. He said that the students are sincerely trying to help solve the country's problems. The students have a right to express their opinion in order to protect the nation's interests. However, Gen Chawalit said that Thailand must understand the needs of the United States. And the United States must find a way to reduce the effects on Thailand.

#### Socialists Seek Foreign Policy Changes

Bangkok MATICHON in Thai 30 Mar 86 pp 1, 16

[Excerpt] At 1730 hours on 29 March, the Social Democracy Party opened a debate at Sanam Luang on the Farm Act and its effects on Thai farmers.

Approximately 2,000 people came to listen. Among those participating in the debate were Col Somkhit Sisangkham, the leader of the Social Democracy Party, Mr Khlaeo Norapoti, a Social Democracy Party MP from Khon Kaen, and Mr Prem Malakun Na Ayuthaya, a Siam Democracy Party MP from Uttaradit Province.

Col Somkhit said that Thailand has been following the wrong path for a long time. Our foreign policy has been one of kowtowing to our great ally in exchange for help. He feels that this is a policy of prostituting ourselves. If we continue to use such a policy, the United States may ask to establish military bases here again. He called on Thailand's leaders to stop using this policy. We must rely on ourselves as much as possible, particularly with respect to the great powers.

Mr Sin Rasi, the spokesman for the Social Democracy Party, said that when parliament convenes, the Social Democracy Party will submit a motion to have the government stipulate definite measures on this matter. The party may also call on people from all groups and factions to come to parliament in order to emphasize that Thailand must wage a struggle. The government must implement a tougher foreign policy.

Mr Somkiet Tangkitwanit, the vice president for external affairs, Chulalongkorn University Studentbody Association, said that students are willing to serve as the activists and coordinate things with other groups in order to protect the country's interests in this matter. At the same time, the government must prepare to deal with the effect of this on other economic crops. He said that the students will serve as a pure force in carrying on activities. He invited people to come view an exhibit on the Farm Act at Thammasat University during the period 1-5 April.

Leaflets prepared by the Thai Nationalist Movement were distributed at the gathering. The leaflets stated that in the past, Thailand has failed to see the effects of foreign influence. For example, the United States has sent economic advisors and representatives from the World Bank to study Thailand's economic situation in order to have the Thai government implement economic and political policies in line with U.S. interests. The Thai government has allowed them to do this freely. The leaflets called on the people to support the movement of the students and laborers.

Mr Khlaeo said that Thai-U.S. relations have been based solely on interests. The Thai government should not expect to find a patron. Thailand is an agricultural country, but the United States bullies us. The United States claims to be our ally and the leader of the Free World and seems to think that it is the leader of Thailand, too. The Thai government must protest the Farm Act because the United States is violating the GATT. Thailand has had to bear the burden of caring for the refugees, a problem that stems from U.S. policy. But the United States has given Thailand very little help. What Thailand can do now is to boycott American goods such as soft drinks and to stop patronizing the American donut shops. Thailand has to pay royalties on each bottle and each donut.

Mr Prem said that he just returned from the United States on 27 March. He met with Thai students and other Thai living in the United States in order to

discuss this problem. The Thai there expressed their willingness to help inform and explain things to the American people. During his trip there this time, the speaker of the U.S. House of Representatives gave him a flag flown at Congress and asked him to give it to the speaker of the Thai House of Representatives as an expression of their intention to help Thailand. At the same time, the chairman of the U.S. House Foreign Affairs Subcommittee told him that he does not know why Thailand didn't oppose this last year. This law was promulgated in December 1985. Mr Prem said that he blames the Thai bureaucracy and the Ministry of Foreign Affairs for this.

Mr Ubonsak Bualuangngam, the president of the Farmers Federation of Thailand, said that farmers still have 50-60 percent of the rice crop on hand. They have not been able to sell it because the merchants refuse to buy it. But the government refused to use money from the Farmer Welfare Fund to help the farmers as it said it would. Instead, it is using the money to help the state enterprises that have suffered losses, such as the State Railway of Thailand and the Express Transportation Organization of Thailand. During the past 6 months, the government has spent 600-700 million baht to help these state enterprises. This is not fair to the farmers.

#### Student Leader on U.S. 'Exploitation'

Bangkok MATICHON in Thai 31 Mar 86 p 3

[Interview with Bunthaen Tansuthewirawong, the secretary general of the Student Federation of Thailand; date and place not specified]

[Text] [Question] What is the condition of the student movement today?

[Answer] Since 1980-1981, the student movement has had very little life. But recently, students have begun to think about the problems again. I think that they see the need to join together and take an interest in the problems that have arisen in society. Because of this, I think that the student movement has begun to improve. This is because the problems in society are growing worse and worse. The students can see for themselves that nothing is improving. As a unit of society, students must unite and play a role in solving the problems.

However, students admit that they still feel estranged from the actual social situation. This is because the political situation or the educational situation within the universities pulls students in a different direction. Because of this, students in general know very little about what is actually happening in society today. But because of the various things that have happened recently, students must make an effort to understand what is happening and start playing a greater role. Students must quickly unite at both the intra- and inter-university levels.

[Question] You said that because of the situation, students must unite and start playing a greater role. To what were you referring?

[Answer] One thing is the country's current economic problems. The lives and property of the people lack security. This is particularly true for people

such as farmers and laborers who lack opportunities in society. It can be said that there is no security for these people in this society. We saw these problems more clearly after going out and talking with the people. And this has been an important factor in shaping the thinking of the students. This is pressing students to unite. This can be thought of as developing the students on another front.

[Question] Why have the students become concerned about the Farm Act? What do the students hope to gain by taking action on this issue?

[Answer] There are several things that can be said about this problem. Today, the farmers lack social guarantees, such as being able to sell their produce at suitable prices at a time when the organizations that provide public services are raising their prices. And there are many other problems that are making life difficult for the farmers. Problems from outside the country just exacerbate the plight of the farmers. The present situation is making paupers of everyone. The people concerned must take resolute action to solve the problems. Some of these problems are the result of actions taken by other countries, which want to profit from our resources. At the same time, they implement protectionist measures against Thai goods whenever they face competition.

Actually, Thailand's development strategy has been wrong ever since the implementation of the First National Economic and Social Development Plan. We have ignored agricultural development. National leaders have attached less and less importance to agriculture, with industrial development assuming greater importance. The hope has been that industrial development will help modernize the country and bring progress. Part of the pressure for this came from the United States during the period of field marshals Phibunsongkhram and Sarit Thanarat, former prime ministers. Because of this, Thailand became economically dependent on the developed countries, particularly the United States.

The first and second development plans focused on reducing imports in order to modernize the country. The third and fifth plans focused on increasing exports. Such policies put pressure on the underdeveloped countries. When there was a crisis, this had a great effect on these countries. Each country produced goods for export without consideration for outside market demand, meaning demand in the developed countries. As a result, there was more and more competition.

In particular, the United States, which formulated this policy, now has a huge trade deficit. The United States has focused on producing heavy industrial goods such as thermonuclear weapons, aircraft, machinery and war materials. The United States has had to invest huge sums in such heavy industries. Because of this, the U.S. economy is now experiencing problems.

The cost of living in the United States is very high as compared with that in the underdeveloped countries. Because of this, huge quantities of goods flow into the United States. The United States has had to implement a protectionist policy in order to compete with the underdeveloped countries. This shows how sincere the United States is toward its allies. Our leaders frequently say

that the United States is a great ally and that it is sincere toward us. But whenever they experience problems, they show no interest at all in what will happen to allies such as Thailand. The United States is interested only in its own survival.

As for the target of the student movement, we hope that the Thai government will take resolute action to solve the problems on all fronts. Simply mitigating the effects of the Farm Act is not enough. The government must take a broad look at the problems facing our country, including the problem of crop prices and its policies concerning the farmers. The government must consider whether its policies have really been aimed at solving these problems and bettering the lot of these people.

Coordinating things with the various democratic forces in order to play a role again is not really an objective. Rather, this will follow as a result of our actions. It is a by-product that will unite the various groups. They will become interested in the problems that have arisen and work together to solve these problems. They will have a broader view of things and not focus only on the problems that led to the movement. This will help mobilize all the people to participate in solving the country's problems.

[Question] You said that the United States is interested only in its own survival and does not care about its allies. What can be done to make everyone understand this? What role do students think that Thailand should play in associating with them?

[Answer] Actually, the people do not really know how the United States is exploiting Thailand. If we study the lessons of history, we can see that the United States--which everyone views as a great ally--has always been concerned about its own interests.

Recently, I met with the U.S. ambassador in order to submit a protest note. He said that there is no such thing as totally free trade. It's just a matter of whose trade is freer. This shows what the United States really thinks even though it is the United States that has espoused a free trade philosophy and spread this idea throughout the world. This has confused people in other countries, who wonder whether the United States really does favor free trade. But this remark clearly shows the real views of the United States. In trying to spread its economic influence around the world, it gives no thought to the survival of other countries, including countries such as Thailand, for which it professes great friendship.

The United States is ready to exploit poor countries that are unaware of the facts and that have been made to believe that the United States is a great friend, the world's policeman and the representative of freedom and democracy. But the truth is that the United States props up dictatorial governments in various countries in the hope of making profits in those countries. It waits for a chance to gain political and economic influence over these countries. The United States says that it is an ally. But they employ a variety of methods to gain as much profit as they can.

We have to promote understanding about what has happened and inform their people about the situation. We have to provide factual data to people in various circles. These data must be obtained from meeting with the people regularly. We hope that all factions will unite to solve the problems. This could begin with the people.

[Question] Do you hope that these activities will be a factor in reviving the student movement?

[Answer] Actually, students have been united during the past period. There were 18 student organizations and then 14 organizations. Now there is the Student Federation of Thailand. However, it seemed as if the students had stopped playing a role for a period. That depended on the situation.

Now, it can be seen that students from several institutions are again taking an interest in the problems that have arisen in society. Even though they are not playing as great a role as in the past, it is good that students are again taking an interest in and informing themselves about the problems. This is very important for reviving the student movement in the present complex situation.

[Question] You said that these activities will provide another opportunity to coordinate things with the various organizations that are working for society. How likely is this?

[Answer] If you have followed the political situation, you will have seen that during the past 2-3 years, the democratic forces have not played much of a role in society. They have not coordinated things in order to protect the interests of the people in general. I think that these activities will help bring about unity again. They will foster mutual understanding in order to protect the rights and interests of the people and preserve democracy.

This time, we are coordinating things with scholars, laborers and farmers. We have disseminated data to each group and obtained data from the various factions. That is, the various factions have exchanged data. We hope that the various groups will carry on activities based on conditions within the groups. At the same time, we are coordinating things with these groups. We are also coordinating things with Primary Teachers Confederation of Thailand, which is planning to hold a conference in the near future. We will coordinate things and ask for their cooperation. Teachers can foster understanding among the people on a broad scale. This is because there are teachers everywhere. They can promote understanding among the children and people in the rural areas.

[Question] Besides coordinating things during this period, will there be long-term cooperation with these groups?

[Answer] We have not really discussed that. We have to summarize the lessons learned from these activities. We will have to discuss the question of whether the democratic forces will be able to play a role in protecting the interests of the people in these conditions. However, there must definitely be long-term cooperation.

[Question] Today, most groups are very quiet. What do students think about this and in what direction will things unfold?

[Answer] Because of today's poor economic situation, the people feel very oppressed. The people, who bear the brunt of this, will have to find a way to solve the problems. I think that this will be a factor in uniting the people.

The Farm Act, for example, will affect many people, including farmers, laborers and people in other circles, particularly the socially disadvantaged. Since we began taking action on this, we have received good cooperation from these people.

[Question] What do students hope to gain from this movement?

[Answer] First, we want students to understand and be aware of their role and play a part in solving the country's problems for the sake of the people. That is the first thing.

Second, we want the people to be aware of the problems now facing the country. It isn't enough to understand just the problems confronting us from abroad. People must be aware of what the people responsible are doing to solve the economic problems. We want the government to take resolute action to solve the "mouth and stomach" problems of the people.

#### Editorial Rejects U.S. Embassy Explanation

Bangkok MATICHON in Thai 2 Apr 86 p 6

[Editorial: "The Harsh Words of Prem"]

[Text] U.S. officials claim that the Farm Act is being pushed by Congress, the legislative body, and not the administration. By making this claim, they are trying to reduce the administration's responsibility for this. But because the objective of this law is to help American farmers by guaranteeing rice prices using large sums of money, the United States will necessarily encounter great opposition from its allies. Each time the United States announces rice prices, there is a reaction in other countries and questions are raised about whether the United States is a real friend.

In such situations, the U.S. embassy, which is the representative of the American government and people, explains the attitude of the United States and talks about the quality of the friendship between the United States and the agricultural countries, especially those countries like Thailand that have placed great faith in the United States for more than 3 decades.

The government and people of Thailand have made gentle appeals as allies. This is what the Thai government has been doing. The sharpness of the appeals has been increased through the students and intellectuals. These two groups have been carrying on activities with a clear understanding of the duties of the U.S. Congress and administration, which must show concern for the lives of American farmers. But that does not mean that they have to implement measures to show the superiority of the United States and enable the United States to do

whatever it wants without any sympathy at all for its allies or for poor and underdeveloped countries such as Thailand.

Today, the students, intellectuals and scholars, who are throwing barbs at the United States, are becoming more and more dissatisfied. The government of Gen Prem Tinsulanon still hopes that maintaining an attitude of making exchanges like friends will relax the United States and keep it from using the Farm Act as a weapon to destroy and seize Thailand's rice markets throughout the world. This is a rather weak attitude, and the United States will probably pay little attention to such pleas. This means that the United States and the American people are willing to put up with the dissatisfaction generated among the Thai people as expressed by the Thai government.

Because the rather weak political and diplomatic measures implemented by the government and Ministry of Foreign Affairs have been ignored, it made great sense for Gen Prem Tinsulanon to tell a U.S. assistant secretary of state that Thailand is prepared to implement resolute measures. And a director-general in the Ministry of Foreign Affairs said that Thailand will protest strongly. Thailand may be the "land of smiles and the words 'never mind,'" but that is only for Thailand's friends. But in the case of those "friends" who are prepared to kill their friends coldbloodedly, Thailand is ready to unite to show its hostility and retaliate in kind.

#### Columnist Urges Support of Students

Bangkok DAILY NEWS in Thai 29 Mar 86 p 2

[Around the World column by Trairat Sunthonpraphat: "Oppose the Great Friend"]

[Text] I once wrote that people should keep an eye on our "great friend" the United States. Their foreign policy and their political, military and trade policies are all aimed at fostering the interests of the United States. The plight of others is secondary. When American politicians look at something, such as trade, they consider the profits to be made. They don't care what their people do as long as they make profits. They are ready to do anything if there are profits to be made.

As for the Farm Act, which people are beginning to oppose more resolutely, if the Thai and U.S. governments had sat down and discussed matters, things would probably not have gone this far. This has exposed the ineptness of the government and shown that it prefers to ignore the problems. It has not even taken resolute action on a problem that will affect more than 70 percent of the Thai people, that is, the farmers. The government simply toyed with the matter until the students, laborers, farmers and others had to take action themselves. The government should have taken action a long time ago. This concerns our interests. The farmers will suffer greatly.

This is a national problem. But the people concerned have sat by idly or taken action in stages. This is in line with the saying "before the peanuts are done, the sesame seed will burn." Things are being done too slowly. There have been reports about this for a long time. Today, economic newspapers are

discussing the problems, but few people in the government have paid any attention to this. They just ignore things.

It's good that the students have begun to oppose the Farm Act. They know what the facts are. This is an urgent matter. The units and organizations concerned should cooperate directly. In the name of the Newspaper Association of Thailand, I would like to express my great support for those who are opposing the Farm Act. This law will help American farmers export products to world markets. The U.S. government will provide great financial support to cut market prices and seize markets. It will also extend long-term credit to buyers. This will clearly exploit agricultural countries such as Thailand. This will have a particularly great effect on rice markets. Today, Thailand is the largest exporter of rice in the world. This will ruin Thai farmers. They will not be able to sell their rice. Or if they do sell their rice, they will have to accept great losses. The Farm Act has not gone into effect yet, but Thai farmers are already in dire straits. Rice prices are depressed, and no solution is in sight. And so when the Farm Act goes into effect, this will finish the farmers.

We must put up a struggle. The Thai people must take an interest in this and unite in order to show the United States that the implementation of the Farm Act will destroy Thailand. The United States should stop doing what is wrong. It supported Marcos, who ruled as a despot in the Philippines for more than 20 years. Finally, the Philippine people united and toppled Marcos. That should be a lesson to the United States.

It's time for the Thai people to unite and oppose our "great friend," who is trying to exploit us. If the United States does not care about us, let's not care about the United States.

11943

CSO: 4207/208

THAILAND

ARMY REPORTS 1985 COMBAT DEATHS BY SECTOR, SERVICE

Losses Up From 1984

Bangkok BAN MUANG in Thai 22 Mar 86 pp 1, 16

[Unattributed report: "King To Attend Funeral of 141 Heros"]

[Text] The king and queen will preside at the cremation of 141 people who sacrificed their lives defending the country. This will be the 18th such funeral. It will be held on 26 March at Wat Phra Si. The army has revealed that most of these people were killed along the border fighting foreign troops. Losses from suppressing communist terrorists within the country declined to the lowest level ever.

At the army auditorium at 0930 hours on 21 March, in his capacity as assistant director of communist suppression activities and the person in charge of arranging the funeral for these people, Gen Akkhaphon Somrup, the assistant RTA CINC, told reporters that the funeral will begin on 25 March with a religious ceremony. At 1600 hours on 26 March, the king and queen will arrive to attend the ceremony just as in previous years.

Gen Akkhaphon said that this is the 18th such funeral. The funeral is being held for 141 people from the regional Internal Security Operations Commands who died while carrying out their duties. The 141 killed in action included 1 civilian official, 5 civilian volunteers, 41 thahan phran irregulars, 14 policemen, 72 soldiers, 7 sailors and 1 airman. Of these, 140 were Buddhists. The ceremony for these people will be held at Wat Phra Si Mahathatuwon Wihan in Bang Khen District. The other person killed was a Christian. Funeral services for him will be held in his home town in Phan Thong District, Lopburi Province.

"A total of 141 people were killed in 1985 as compared with 158 in 1984. It can be seen that the number of people killed decreased only slightly. Domestic terrorism has decreased and so why hasn't the number of combat deaths declined, too? People were killed in two sectors. Some were killed suppressing the communist terrorists within the country, and some were killed defending the border against incursions by foreign troops. In 1985, we lost only 38 people in suppressing the communist terrorists. Most of these, 26, were killed in the zone of responsibility of the 4th Army Area. A total of 103 men were

killed in clashes along the border. Of these, 96 were killed along the Cambodian border and 7 were killed along the Lao border," said Gen Akkhaphon to the reporters. He stressed that the number of casualties suffered along the border has continued to increase. For example, in 1983 we lost only 29 people in border clashes. The figure rose to 60 in 1984 and to 103 in 1985.

Gen Akkhaphon also said that this year, the ISOC will again receive good support from the private sector, the people and government units. Everyone knows that the purpose of holding this funeral is to eulogize these heroes who gave their lives to defend the country and ensure that the people can have peace and happiness. Suitable preparations have been made. The ISOC will provide food and lodging for the relatives of those killed and pay their travel expenses. Each relative will also be given 1,000 baht to help pay expenses. Relatives and the general public are invited to attend the ceremony.

#### Thahan Phran Irregular Deaths

Bangkok DAILY NEWS in Thai 22 Mar 86 pp 1, 2

[Excerpt] A total of 141 people were killed in combat in 1985. These included 1 civilian official, 5 civilian volunteers, 41 thahan phran irregulars, 14 policemen, 32 soldiers, 7 sailors and 1 airman. Funeral ceremonies for 140 of these people will be held at Wat Phra Si Mahathatu. A Christian ceremony will be held for the remaining hero at the Christian cemetery in Phan Thong District, Lopburi Province.

11943

CSO: 4207/209

EDITORIAL VIEWS DEBT RESCHEDULING, AID TO STATE FIRMS

Bangkok BAN MUANG in Thai 15 Mar 86 p 4

[Editorial: "A Correct Policy"]

[Text] Mr Bodi Chunnanon, the director of the Budget Bureau, said that Gen Prem Tinsulanon, the prime minister, has not yet submitted the draft of the 1987 budget to the cabinet for discussion. It is felt that the amount allotted for servicing the foreign debt should be reviewed. Approximately 34.2 billion baht has been allotted for this. The prime minister feels that because it is necessary to spend money to develop the country's economy, some debts should be rescheduled in order to use that money to create jobs for the people.

It is thought that more than 10 billion baht in debt servicing payments can be rescheduled. Rescheduling these payments will not have an adverse effect on Thailand's debtors. Debtors will just have to pay more in interest. Creditors probably foresaw the problems that Thailand would encounter. The government can use the money that would have gone to service the debt to develop the nation's economy. The benefits of this are likely to outweigh the cost of the additional interest that will have to be paid.

The government is right in rescheduling the debts and using the money to develop the economy and create jobs for people. This action will be supported by the great majority of the people. The government has been trying to tighten its belt for several years. This has depressed the country's economy. The government has overreacted in trying to control expenditures, and this has had a serious effect on reviving the nation's economy.

The government's decision to spend money to build the economy and create jobs for the people will give new hope to the people and the private sector, which is waiting for a chance to invest and engage in trade following the national bank's decision to require the commercial banks to reduce interest rates. Even though interest rates are still rather high, merchants and investors believe that things are improving on other fronts. For example, lower oil prices will spur trade and investments. The 1987 budget will be only slightly higher than the 1986 budget and so it will be difficult to find money to compensate for the revenues lost. We ask only that the money be used for economic development. It should not be wasted on the state enterprises, which continue to lose money.

11943

CSO: 4207/207

THAILAND

LABOR DEPARTMENT STOPS WORKERS FROM GOING TO LIBYA

Numbers of Workers in Libya

Bangkok NABO NA in Thai 16 Mar 86 p 16

[Unattributed report: "Thai Workers Stopped From Going to Libya"]

[Text] Mr Chamnan Photchana, the director-general of the Department of Labor, talked with reporters on 15 March about the Ministry of Foreign Affairs issuing a warning on sending Thai laborers to Libya. He said that even though Thailand and Libya do not have diplomatic relations, Libya is Thailand's second largest labor market in the Middle East and northern Africa. Laborers have been sent through South Korea and Malaysia.

Because of the tense situation between Libya and the United States, the government is worried about the safety of the 30,000 Thai laborers in Libya.

Situation Expected to Improve

Bangkok BAN MUANG in Thai 16 Mar 86 pp 1, 16

[Excerpt] The director-general of the Department of Labor said that the Ministry of Foreign Affairs has been investigating matters for a month now and has informed the Department of Labor. It has asked that great caution be exercised in sending Thai laborers to Libya, because the situation there could become dangerous. The Department of Labor has, therefore, decided not to give permission to send additional Thai laborers to Libya at the present time.

However, the situation in Libya may improve in the next 1-2 weeks. Libya has guaranteed the safety of the Thai laborers there. But we should take precautions.

11943

CSO: 4207/207

THAILAND

BUNCHU DISPARAGES GOVERNMENT ECONOMIC MOVES

Bangkok NAE0 NA in Thai 22 Mar 86 pp 1, 3

[Unattributed report: "Bunchu Criticizes the Economic Plan, Says That Lowering Interest Rates and Oil Price Is Ineffective"]

[Text] Bunchu Rotchanasathian criticized the government sharply for failing to solve the economic problems. He said that lowering oil prices and interest rates will achieve nothing. If we are poor, we must do something to improve our lot. We can't just continue to wallow in poverty. He said that the economic plan is based on scraping by from day to day. We must fight the Farm Act implemented by the United States and not kowtow to them.

At 1000 hours on 21 March at the Impala Hotel, Mr Bunchu Rotchanasathian, the former deputy prime minister and former minister of finance, gave a special lecture entitled "How To Deal With the Economic Crisis" to members of the Samut Prakan Provincial Administrative Association. Mr Bunchu said that Thailand's economy is improving because of several variables. For example, oil prices and interest rates have declined. However, the economy will not improve if the government continues to make mistakes in trying to solve the economic problems.

Mr Bunchu said that lower oil prices cannot help the economy because the government's policies have been wrong. The policies have lacked unity and a clear focus. This is because the government is composed of several political parties. The policies lack targets, and there is a lack of cooperation in implementing the policies. Take exports, for example. Merchants here are competing among themselves.

Mr Bunchu said that the government has blamed the depressed world economy for everything instead of trying to solve the problems here. We have emphasized the trade deficit and tried to get Japan to buy more of our goods. We have constantly tried to cut expenditures and acted like a poor country. That is not the way to solve the economic problems.

Mr Bunchu said that today, no public or private sector unit is making an effort to find out what can be done to improve the country's economy. If we continue to act like a poor country, we will never be rich. When you are poor, you have to find a way to make money. We lack administrative ideas. The government has not given any thought to this.

Mr Bunchu also said that because of the depressed economic situation in the agricultural sector, the people have little purchasing power. As a result, government revenues, that is, tax revenues, have declined, too. There is not enough money to develop the country. The national budgets have been very austere, and we will probably have to make even deeper cuts. The nation's creditors will begin to control things because we will not be able to repay our debts on time. We will have to take new loans to repay the old ones. For example, the government was compelled to devalue the baht in the hope of promoting sales. But that was not possible because there are no free markets. Thus, our economy just got worse. Economically, we gained nothing.

Mr Bunchu cited lower oil prices as an example. Several factions feel that the profits from lower oil prices will be used to increase the expenditure budget. But the government has not acted honestly. The government has taken various loans in secret. While not illegal, this is not really proper. They have tried to sidestep the issue. Today, overdrafts from the account of the national bank total 30 billion baht. This money is not listed in the loan figures. This money has to be repaid quickly. It's possible that the revenues from lower oil prices will be used to repay this debt. Thus, the economy will not expand as it should.

Mr Bunchu said that people expected that lower oil prices would lead to greater investments. But that has not happened. This is because the Ministry of Finance opposes this. Mr Sommai does not want to use this money and so we will continue to have a depressed economy. All we can hope for is that things will not be as bad as last year.

Mr Bunchu said that our economic development plan is a trivial plan aimed at enabling us to scrap by from day to day. It calls for us to tighten our belts and live very simply. Because of this, the economy can't grow. We can't grow rich like others. We will just keep treading water. "In business, new economic power must be created. There must be opportunities to bargain. We must not humble ourselves or kowtow. We don't have to start pleading with them just because of the Farm Act. I would not humble myself. Instead, we have to fight back. As for being friends, we have to reach an understanding. The government does not know how to fight them. We are used to giving in to the United States and being their underling.

11943

CSO: 4207/209

## THAILAND

### SOMMAI BUDGET DEFICIT CONCERNS NOTED TO PREM

Bangkok NAO NA in Thai 24 Mar 86 pp 7, 8

[Unattributed report: "Sommai Warns Prem That the Budget Must Be Controlled, Reveals That Treasury Reserves Deficit Is 35 Billion Baht"]

[Text] Sommai remains inflexible about the country's monetary situation. He sent a note to the prime minister asking him not to allow the budget deficit to exceed 3.5 percent of the GNP. He said that this should be reduced to just 2 percent by 1991 to keep the country out of trouble. The latest figures show that the treasury reserves deficit is 35 billion baht. The deficit will be 34 billion baht next year. There are treasury notes of 7 billion baht. Taking loans is deceptive.

A news report from the Ministry of Finance informed NAO NA that the Ministry of Finance has submitted a note to Gen Prem Tinsulanon, the prime minister, on preparing the budget in coming years now that the 1987 budget has been approved by the cabinet. The note stated that beginning in 1987, loans to cover the budget deficit should not exceed 3.5 percent of the GNP. For next year, the amount should not exceed 45 billion baht. This stipulation is aimed at preventing the government from having to borrow so much money that the country's financial position collapses.

Mr Sommai Huntrakun, the minister of finance, said that setting the limit at 3.5 percent of the GNP will not improve the country's financial position. All it will do is keep things from getting worse. The budget deficit should be reduced even more. His target is to reduce the deficit to 2 percent by fiscal 1991.

The Ministry of Finance also reported that in fiscal 1986, although the tax system was revised, revenues were still 19.9 billion baht below the target. Thus, it has been necessary to reschedule domestic and foreign debts totaling 4.1 billion baht and cut budget expenditures by 2.25 billion baht. After rescheduling the debt, the net expenditure budget is only 211.65 billion baht. An additional 3 billion baht in revenues from oil price adjustments has been requested for the remaining 6 months of the fiscal year. As for adjusting oil prices, if the tax rate remains the same, it means that revenues from this will increase 6 billion baht during the next fiscal year. The Ministry of

Finance wants to use this money to improve the country's monetary position. It does not want to use the money to increase government expenditures.

At the same time, the Budget Bureau submitted a report to the prime minister on the government's financial position. The report stated that before loans were taken, treasury reserves constantly showed a deficit. For example, in 1986, before the tax system was revised, the deficit was 43,417 million baht. After the tax system was revised, the deficit declined to 34,442 million baht. In 1987, based on the expenditure budget approved by the cabinet, treasury reserves will show a deficit of 33,640 million baht. But because of the various loans that have been made, there is 8 billion baht left. Next year, this will increase to 8,360 million baht.

In fiscal 1987, the government will borrow 8 billion baht from the national bank, 13 billion baht from the Government Savings Bank, 13 billion baht from commercial banks and 8 billion baht from other sources.

11943

CSO: 4207/209

## THAILAND

### PROBLEMS IN DETERMINING BUDGET SIZE DISCUSSED

Bangkok NAE0 NA in Thai 2 Apr 86 pp 7, 10

[Unattributed report: "Budget Bureau Diregarded the Facts When It Set the Budget, Mid-Year Budget Must Be Cut by 3 Billion Baht"]

[Text] Problems are cropping up in setting next year's budget. The mid-year budget must be cut by at least 3 billion baht. The Budget Bureau, which is in charge of formulating the budget, deceived itself and requested more revenues than the Ministry of Finance could collect.

A report from the Ministry of Finance informed NAE0 NA that the Ministry of Finance is very unhappy about the 1987 budget as approved by the cabinet. The budget has set expenditures at 226 billion baht and revenues at 178 billion baht. When the 6 billion baht in revenues from the drop in the price of oil are added in, total revenues come to 184 billion baht.

For the coming fiscal year, the Ministry of Finance has proposed a budget of 220 billion baht. The Budget Bureau, on the other hand, has proposed that the budget be set at 230 billion baht in order to facilitate allotting funds to the various units. If revenues are estimated based on normal trends forecast by the Ministry of Finance, revenues will not be 178 billion but only 175 billion baht. The Budget Bureau has applied pressure in various ways, including using the cabinet, and so the expenditure and revenue budgets will probably be set as approved by the cabinet.

A news source said that formulating a budget without basing things on actual revenue capabilities will just lead to a repeat of what happened this year, that is, we will have to make huge mid-year expenditure cuts or the cabinet will have to approve issuing a special bond in order to cover the budget deficit, which is nothing but a temporary remedy that has to be used again and again.

"The Budget Bureau wants to set expenditures higher in order to make it easier for it to allocate funds. It won't have to make any hard decisions. It has not done a very good job of allocating funds or monitoring the use of budget funds. It has never tried to determine why the quality of the work of government units that have been given more and more money every year has never improved," said the news report.

One important reason why revenues will be only 175 billion next year is that personal income taxes, corporate taxes, other taxes, import-export duties and fees were reduced this year, and this will have an effect next year. What is clear is that next year, mid-year expenditure cuts of at least 3 billion baht will be necessary in order to keep expenditures in line with revenues, which are expected to reach only 175 billion baht. This does not include taxes from oil. The ministry has already said that if revenues from oil taxes exceed 6 billion baht, it wants to use the excess money to solve the monetary problems. It does not want to use the money to cover the budget deficit.

11943

CSO: 4207/209

## THAILAND

### BRIEFS

LAO REFUGEE REPATRIATION--Eighty-four Lao refugees were repatriated to Laos. They had been in Thailand for 10 year, but no country would accept them. They were homesick and asked to be repatriated. There are still about 100,000 Lao refugees in Thailand. At 1400 hours on 14 March, Dr Sira Chawanawirat, the head of the Nong Khai provincial office, and a group of officials took 39 Lao refugees from the Ubon Ratchathani Refugee Center and 45 Mong refugees from the Ban Winai Center in Pak Chom District, Loei Province, to Tha Sedet and put them on a boat in order to repatriate them to Laos. Dr Sira said told NAEO NA that based on the agreement reached with the United Nations, Lao officials will accept Lao refugees who volunteer to return to Laos. This group of Lao refugees had wanted to go to a third country, but no other country would accept them because they were uneducated farmers. They had been in Thailand for 10 years. They were homesick and so they asked to return to Laos. Before leaving, each person bought 2,000-3,000 baht worth of goods such as fish sauce, laundry detergent, food seasonings and clothing because they knew that there is a shortage of such items in Laos. Thailand began repatriating Lao refugees in 1979. Twenty were repatriated in December 1985. As for the number of refugees still in Thailand, surveys conducted at the various refugee centers have shown that there are 35,102 refugees in Nakhon Phanom, 41,175 in Loei, 11,437 in Phayao, 1,614 in Nan and 315 in Ubon Ratchathani. [Text] [Bangkok NAEO NA in Thai 15 Mar 86 p 3] 11943

CSO: 4207/209

## PUBLICATIONS

Table of Contents: TAP CHI HOAT DONG KHOA HOC, February 86

Hanoi TAP CHI HOAT DONG KHOA HOC in English Feb 86

[Text]

### CONTENTS

Nguyen Ngoc Triu - Scientifico-technical progresses in agriculture during the period 81-85 and orientations for 86-90	1	Nguyen Van Chien - The completion the of State researches programme 48-03 (national atlas)	22
Le Duc Bao - On ameliorations in the structure and organisation of gestion in the branch railways	4	Hoang Nien - Meteorology and hydrology in relation to the researches on floods in our country	26
Nguyen Manh Khue - Looking back on scientifico-technical activities of the Capital in the 81-85 plan and tasks for 86-90	8	Dang Tran Bang - 15 years of activity of the Committee of ratification of mineral resources	29
Tran Duc Ha - To quickly implement scientifico-technical progresses into production in view of the development of apiculture in Vietnam	12	Ngo Van Minh, Vo Van Te - Treatment of aluno - salted soils in view of the production of bricks and tiles for the Mekong plain	35
Ho Qui Dao - Researches on contact reactions and adsorption in industry and in fundamental organic synthesis	16	Trinh Hong Trien - On soils and fundaments in Hanoi	38
Dang Huu Phu - To develop the branch «push-boat - barge» in sections in fluvial navigation	18	Nguyen Manh Duc - On fundamental surveys in physics of the globe in great production and in capital building	40
Nguyen Phuoc Tuong - To exploit to the utmost the potentialities of the pig variety of Mongcay	20	Le Tam - Not to allow «stars war» to happen	44

NEWS ON SCIENTIFICO - TECHNICAL ACTIVITIES 47

/9274

CSO: 4200/929

END

**END OF**

**FICHE**

**DATE FILMED**

28 MAY 86

$\frac{28}{5}$